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96th Congress
1st Session

COMMITTEE PRINT

# MINUTES

OF THE

# BUSINESS MEETINGS AND HEARINGS

OF THE

# COMMITTEE ON AGRICULTURE
# HOUSE OF REPRESENTATIVES

(Pursuant to Committee Rule IVf)

PART 1

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JUNE 28, 1979.—Printed for the use of the Committee on Agriculture

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JUNE 28, 1979.—Printed for the use of the Committee on Agriculture

U.S. GOVERNMENT PRINTING OFFICE
47-987 O WASHINGTON : 1979

## COMMITTEE ON AGRICULTURE

THOMAS S. FOLEY, Washington, *Chairman*

E DE LA GARZA, Texas
*Vice Chairman*
WALTER B. JONES, North Carolina
ED JONES, Tennessee
DAWSON MATHIS, Georgia
GEORGE E. BROWN, JR., California
DAVID R. BOWEN, Mississippi
CHARLES ROSE, North Carolina
FREDERICK W. RICHMOND, New York
RICHARD NOLAN, Minnesota
JIM WEAVER, Oregon
ALVIN BALDUS, Wisconsin
TOM HARKIN, Iowa
BERKLEY BEDELL, Iowa
GLENN ENGLISH, Oklahoma
FLOYD J. FITHIAN, Indiana
LEON E. PANETTA, California
IKE SKELTON, Missouri
JERRY HUCKABY, Louisiana
DAN GLICKMAN, Kansas
DANIEL K. AKAKA, Hawaii
CHARLES WHITLEY, North Carolina
TONY COELHO, California
TOM DASCHLE, South Dakota
KENT HANCE, Texas
BERYL ANTHONY, JR., Arkansas
CHARLES W. STENHOLM, Texas

WILLIAM C. WAMPLER, Virginia
*Ranking Minority Member*
KEITH G. SEBELIUS, Kansas
PAUL FINDLEY, Illinois
STEVEN D. SYMMS, Idaho
JAMES P. JOHNSON, Colorado
EDWARD R. MADIGAN, Illinois
MARGARET M. HECKLER, Massachusetts
JAMES M. JEFFORDS, Vermont
RICHARD KELLY, Florida
CHARLES E. GRASSLEY, Iowa
TOM HAGEDORN, Minnesota
E. THOMAS COLEMAN, Missouri
RON MARLENEE, Montana
LARRY J. HOPKINS, Kentucky
WILLIAM M. THOMAS, California

PROFESSIONAL STAFF

FOWLER C. WEST, *Staff Director*
ROBERT M. BOR, *Chief Counsel*
JOHN E. HOGAN, *Counsel*
JOHN R. KRAMER, *Special Counsel*

Rule IVf of the Committee on Agriculture, House of Representatives, requires that the minutes of business meetings and hearings be published on a periodic basis.

In compliance with that rule, the minutes of business meetings and hearings from February 1, 1979, through June 28, 1979, are contained in this committee print.

The committee rule follows:

f. *Publication of Minutes.*—The Chairman of the Committee, in consultation with the Ranking Minority Member, shall cause to be published as a Committee Print on a periodic basis (and insofar as practicable on a semiannual basis) the minutes of all business meetings and hearings of the Committee and any of its Subcommittees and such minutes shall include a record of the attendance of members, all recorded votes and the action on all amendments and motions relating to legislation.

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U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, February 1, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: Committee Organization

Bill Nos.

The Full ~~(Sub)~~ Committee met in open Session at 11:00 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Whitley | Mr. Wampler |
| Mr. de la Garza | Mr. Coelho | Mr. Sebelius |
| Mr. Jones (N.C.) | Mr. Daschle | Mr. Findley |
| Mr. Jones (Tenn.) | Mr. Stenholm | Mr. Symms |
| Mr. Mathis | Mr. | Mr. Madigan |
| Mr. Rose | Mr. | Mrs. Heckler |
| Mr. Richmond | Mr. | Mr. Kelly |
| Mr. Nolan | Mr. | Mr. Grassley |
| Mr. Weaver | Mr. | Mr. Hagedorn |
| Mr. Baldus | Mr. | Mr. Marlenee |
| Mr. Bedell | Mr. | Mr. Hopkins |
| Mr. Fithian | Mr. | Mr. Thomas |
| Mr. Panetta | Mr. | Mr. |
| Mr. Skelton | Mr. | Mr. |
| Mr. Huckaby | Mr. | |
| Mr. Akaka | Mr. | |

Staff present:

| | | |
|---|---|---|
| Fowler C. West | Susan Bell | Al Zepp |
| Bob Bor | Bert Pena | Chris Abram |
| Hyde Murray | Lee Musil | Nick Ashmore |
| John Hogan | Wayne Fletcher | Linda Miller |
| John Kramer | Tom Adams | |
| Gary Norton | Jerry Jorgensen | |
| Glenda Temple | Jim Swiderski | |
| Gene Moos | Joe Crapa | |
| Jim Culver | Julie Kogut | |
| Bernie Brenner | Wanda Worsham | |
| Fred Appel | Peggy Pecore | |
| George Dunsmore | Mary Ross | |

Witnesses:

None

Statements Filed:

None

Thursday, February 1, 1979
Full Committee
Business Meeting
Committee Organization

Action Taken:

-- Establishment of Quorum.

-- Introduction of new Members of the Committee.

-- By a unanimous voice vote, Mr. de la Garza of Texas elected Vice Chairman of the Committee.

-- Announcement of Subcommittee Chairmen and Ranking Minority Members.

-- Motion of Mr. de la Garza to authorize Chairman Foley to act for the Committee approved by unanimous voice vote.

-- Motion of Mr. Jones (Tenn.) to approve staff travel vouchers approved by unanimous voice vote.

-- Sebelius amendment to Committee Rules concerning proxy voting not agreed to by a show of hands vote of 8 yeas-17 nays.

-- Motion of Mr. de la Garza to approve Committee Rules for the 96th Congress agreed to by a unanimous voice vote in the presence of a quorum.

-- Motion of Mr. de la Garza to enable Chairman to appoint an Ad Hoc Subcommittee on Trade approved by a unanimous voice vote.

-- Motion of Mr. de la Garza to enable Chairman to appoint an Ad Hoc Subcommittee on the Budget for reporting to the full Committee approved by a unanimous voice vote.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

Thursday, February 1, 1979
Full Committee
Business Meeting
Committee Organization

1. Mr. de la Garza
2. Mr. Jones (N.C.)
3. Mr. Jones (Tenn.)
4. Mr. Mathis
5. Mr. Richmond
6. Mr. Nolan
7. Mr. Weaver
8. Mr. Baldus
9. Mr. Bedell
10. Mr. Fithian
11. Mr. Panetta
12. Mr. Skelton
13. Mr. Huckaby
14. Mr. Akaka
15. Mr. Coelho
16. Mr. Daschle
17. Mr. Stenholm
18. Mr. Wampler
19. Mr. Sebelius
20. Mr. Findley
21. Mr. Symms
22. Mr. Madigan
23. Mr. Kelly
24. Mr. Grassley
25. Mr. Hopkins
26. Mr. Thomas
27. Mr. Foley

Twenty-seven Members having responded, a quorum was established.

Mr. Wampler, the Ranking Minority Member, was recognized to introduce the new members of the minority party--Larry J. Hopkins of Kentucky and William M. Thomas of California.

The Chairman introduced the new members of the majority--Charles Whitley of North Carolina, Tony Coelho of California, Thomas A. Daschle of South Dakota, Kent Hance of Texas, Beryl Anthony, Jr. of Arkansas, and Charles W. Stenholm of Texas.

Mr. Jones (N.C.) asked unanimous consent that Mr. de la Garza of Texas be named Vice Chairman of the Committee on Agriculture for the 96th Congress and by a unanimous voice vote the motion was agreed to.

The Chairman announced the Subcommittee Chairmen for the 96th Congress, as follows:

E de la Garza - Department Investigations, Oversight, and Research
Walter B. Jones - Tobacco
Ed Jones - Conservation and Credit
Dawson Mathis - Oilseeds and Rice
David R. Bowen - Cotton
Charles Rose - Livestock and Grains
Frederick W. Richmond - Domestic Marketing, Consumer Relations, and Nutrition
Richard Nolan - Family Farms, Rural Development, and Special Studies
James Weaver - Forests
Alvin Baldus - Dairy and Poultry

Thursday, February 1, 1979
Full Committee Business Meeting
Business Meeting
Committee Organization

Mr. Wampler announced the selection of Ranking Minority Members, as follows:

Margaret M. Heckler - Cotton
James M. Jeffords - Dairy and Poultry
James P. Johnson - Forests
Keith G. Sebelius - Livestock and Grains
Paul Findley - Oilseeds and Rice
Richard Kelly - Tobacco
Edward R. Madigan, III - Conservation and Credit
William C. Wampler - Department Investigations, Oversight, and Research
Steven D. Symms - Domestic Marketing, Consumer Relations, and Nutrition
Charles E. Grassley - Family Farms, Rural Development, and Special Studies

Mr. de la Garza moved that the Honorable Thomas S. Foley, Chairman of the House Committee on Agriculture, in consultation with the Ranking Minority Member, be authorized to act for the Committee in matters affecting staff, administration of the Committee, and the budget. By a unanimous voice vote the motion was approved.

Chairman Foley advised that there were some travel expenses for Committee staff which needed to be approved by the full Committee since the travel took place prior to the organization of the Committee. Mr. Jones (Tenn.) moved that the travel vouchers for the Committee staff be approved, and by a unanimous voice vote the motion was agreed to.

Counsel Bor was recognized to explain the proposed amendments to the Committee Rules (Copy of rules attached together with list of Subcommittee assignments.) Discussion occurred.

Mr. Sebelius moved that the Committee Rules be amended on page 6 to prohibit proxy voting except on reporting of measures to the full Committee by a Subcommittee, and on reporting measures to the House by the full Committee. Discussion occurred and by a show of hands vote of 8 yeas-17 nays the amendment was not agreed to.

Mr. Findley asked the Chairman if he would make it a policy of the Committee, rather than writing into the rules (page 11), that the Members who arrived at a Committee or Subcommittee meeting first would be recognized first in questioning witnesses. The Chairman advised that he would consider the matter and report back to the Committee.

Thursday, February 1, 1979
Full Committee
Business Meeting
Committee Organization

Mr. de la Garza moved that the Committee Rules, as distributed to the Members, be approved as the Committee Rules of the House Committee on Agriculture for the 96th Congress. By a unanimous voice vote the motion was agreed to in the presence of a quorum (twenty-two Members present at the time the vote was taken).

Mr. de la Garza moved that the Chairman of the Agriculture Committee may appoint an Ad Hoc Subcommittee on Trade to consider and make recommendations on implementing legislation affecting the jurisdiction of the Committee on Agriculture proposed to implement trade agreements entered into by the President under the Trade Act of 1974; the Ad Hoc Subcommittee to consist of such number as the Chairman may determine after consulting with the Ways and Means Committee and the minority members to be appointed after consultation with the Ranking Minority Member.

Discussion occurred and by a unanimous voice vote the motion was approved.

Mr. de la Garza moved that the Chairman of the Agriculture Committee may appoint an Ad Hoc Committee on the Budget to consider and make recommendations to the full Committee on the appropriate level of budget outlays and budget authority to be included in the concurrent resolution on the budget on areas under the jurisdiction of the Committee on Agriculture, and the minority members to be appointed after consultation with the Ranking Minority Member.

Discussion occurred and by a unanimous voice vote the motion was agreed to.

Mr. de la Garza moved that the meeting stand adjourned, and at 12:06 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

RULES OF THE COMMITTEE ON AGRICULTURE

U.S. HOUSE OF REPRESENTATIVES

I. GENERAL PROVISIONS

a. Rules of the U.S. House of Representatives.--The Rules of the House shall govern the procedure of the Committee so far as applicable, and the rules of the Committee shall be interpreted in accordance with the Rules of the House, except that a motion to recess from day to day is a motion of high privilege in the Committee. (See Appendix [C] B for the applicable Rules of the U.S. House of Representatives.)

b. Applicability to Subcommittees.--The following rules shall apply to meetings, hearings and other activities of [all] Subcommittees, which are part of the Committee and subject to its authority and direction[. The term "Committee" shall refer as well to the term "Subcommittee" wherever it appears and the term "Chairman" shall refer as well to Chairmen of the Subcommittees unless the terms of the rules themselves indicate that they are applicable only to the full Committee and, further, except in the case of the rules concerning regular meetings (Rule 11-a), the records of meetings and hearings which are, in the case of Subcommittees, maintained at Committee offices (Rules II-f and III-j), the citation of witnesses to the House for contempt (Rule III-k), the broadcasting of hearings (Rule III-l), Rule IV, Rules V a-e and Rule VII.], only when specifically so stated.

II. COMMITTEE OR SUBCOMMITTEE BUSINESS MEETINGS

a. Regular and Additional Meetings.--The Committee shall meet [at 10 a.m.] on the first Tuesday of each month while the Congress is in session. [It] The Committee shall also meet at the call of the Chairman at such other times as he considers to be necessary, subject to advance notice to all Committee members. Insofar as practicable, an agenda for all regular and additional Committee meetings, setting forth all the measures and matters to be considered, shall be furnished each Committee member prior to the meeting. Items may be placed on the agenda by the Chairman or a majority of the Committee. If the Chairman determines that [the monthly Tuesday meeting is not necessary or that] any [additional] meeting convened by him need not be held, he shall give all members of the Committee notice to that effect as far in advance of the meeting day as practicable, and no meeting shall be held on such day. See Rule VI-e for provisions which apply to meetings of Subcommittees.

b. Special Meetings.--If at least three members of the Committee file a written request in the Committee offices that a special meeting of the Committee be called by the Chairman to consider a specific measure(s) or matter(s), the Staff Director shall immediately notify the Chairman of the filing of such request. If, within three calendar days after the filing of such request, the Chairman does not call the requested special meeting to be held at a time within seven calendar days after the filing of such request, a majority of the members of the Committee may file in the

Committee offices their written notice that a special meeting will be held at a specified date and hour to consider a specified measure(s) or matter(s). If such a notice is filed, the Committee shall meet on that date and hour. Immediately upon the filing of such a notice, the Staff Director shall notify all members of the Committee that such special meeting will be held at the specified date and hour to consider the specified measure(s) or matter(s). Only the measure(s) or matter(s) so specified in the meeting notice as filed by the majority of Committee members and transmitted to all Committee members may be considered at a special meeting.

c. Vice Chairman.--The [full] Committee shall, by a majority vote, designate one of its members as Vice Chairman who shall perform such duties as the Chairman may direct in the absence of the Chairman.

[c] d. Presiding Member.--If the Chairman is not present at any Committee meeting, the Vice Chairman or, in his absence, the ranking member of the majority party on the Committee who is present shall preside at that meeting. If the Chairman is not present at any Subcommittee meeting, the ranking member of the majority party who is present shall preside at that meeting.

[d] e. Committee and Subcommittee Meetings Prohibited.--The Committee or any of its Subcommittees may not sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

[e] f. Open Business Meetings.--Each Committee or Subcommittee meeting for the transaction of business, including the markup of legislation, shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public[: Provided, however, That no]. No person other than members of the Committee or Subcommittee and such congressional staff and departmental representatives as the Committee or Subcommittee may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to Committee or Subcommittee hearings or to any meeting that, as announced by the Chairman of the Committee or Subcommittee, relates solely to internal budget or personnel matters.

[f] g. Records and Rollcalls.--A complete record of all Committee or Subcommittee action shall be kept in the form of written minutes, including a record of the votes on any question as to which a rollcall is demanded. A rollcall vote shall be ordered upon demand by one-fifth of the members present. The record of such action and the results of the rollcall votes during each session of the Congress shall be made available by the Committee, upon request, for public inspection during regular office hours in the Committee offices and upon telephone request. The information so available on rollcall votes shall include a brief description of the amendment, motion, order or other proposition; the name of each member voting for and each member voting against

such amendment, motion, order or other proposition; whether such vote was by proxy or in person; and names of those members present but not voting. A stenographic record of a business meeting of the Committee or Subcommittee may be kept and may thereafter be published if the Chairman of the Committee determines there is need for such a record. The proceedings of the Committee or Subcommittee in a closed meeting (other than rollcall votes) shall not be divulged unless otherwise determined by a majority of the Committee or Subcommittee. See Rule IV-f for publication of the minutes of meetings.

[g] h. Quorums.--A majority of the members of the [full] Committee or [and each of the] Subcommittee shall constitute a quorum of the Committee or Subcommittee for the purpose of convening meetings, conducting business, and voting on any matter: Provided, That the Chairman of the [full] Committee may determine that one-third of the members of the [full] Committee shall constitute a quorum of the [full] Committee at any meeting for such purpose (other than for the reporting of any measure or recommendation, and voting on the authorization of subpoenas and on the closing of hearings and business meetings to the public) if he gives written notice to that effect to the members prior to the meeting. [Any Committee member present at a Committee meeting may make a point of order that a quorum is not present under the conditions set forth above, but a quorum shall be deemed present unless a member objects to the transaction of business because of the lack of a quorum.]

[h] i. Proxy Voting.--A member may vote by proxy on any matter before the Committee or Subcommittee [by proxy] other than the issuance of a subpoena pursuant to Rule III-b. The proxy authorization shall be in writing, shall assert that the member is absent on official business or is otherwise unable to be present at the Committee or Subcommittee meeting, shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. A member may authorize a general proxy only for motions to recess, adjourn, or other procedural matters. Each proxy to be effective shall be signed by the member assigning the vote and shall contain the date and time of day the proxy is signed as well as the date or dates during which it is to be effective. The proxy form required by the Committee or Subcommittee is appended to these rules as Appendix A. In order to be cast in a vote it shall be filed with the Committee or Subcommittee during such vote and must be placed on file with the Staff Director. Proxies shall not be counted toward a quorum.

[i] j. Location of Persons at Meetings.--No person other than a Member of Congress or Committee or Subcommittee staff may walk in or be seated at the rostrum area of the Committee or Subcommittee unless the Chairman or a majority of the Committee or Subcommittee determines otherwise.

[j] k. Consideration of Amendments and Motions.--A member, upon request, may be recognized by the Chairman to

address the Committee or Subcommittee at a meeting for not more than five minutes on behalf of an amendment or motion offered by himself or another member, or upon any other matter under consideration, unless he receives unanimous consent to extend the time limit. Every amendment, substitute amendment, amendment to an amendment, or amendment in the nature of a substitute made in Committee or Subcommittee that is substantial as determined by the Chairman shall, upon the demand of any member present, be reduced to writing, and a copy thereof shall be made available to all members present: Provided, That such amendment shall remain pending before the Committee or Subcommittee and may not be voted upon until the requirements of this section have been met.

[k] 1. Points of Order.--No point of order, other than a point of order that a quorum (was) is not present, against the hearing or meeting procedures of the Committee or Subcommittee shall be sustained unless it is made in a timely fashion either at the commencement of the hearing or meeting or at the time such occasion for a point of order first occurs.

III. COMMITTEE OR SUBCOMMITTEE HEARINGS

a. Power to Hear.--For the purpose of carrying out any of its functions and duties under House Rules X and XI, the Committee is authorized to sit and hold hearings at any time or place within the United States whether the House is in session, has recessed or has adjourned, but no Subcommittee shall hold meetings or hearings outside of the House unless permission to do so is granted by the Chairman, or a majority, of the [full] Committee.

[c] b. Announcement of Hearings.--The Chairman of the Committee or Subcommittee shall publicly announce the date, place and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the Committee or Subcommittee determines that there is good cause to begin such hearing at an earlier date, in which case the announcement of the hearing shall be made by the Chairman of the Committee or Subcommittee at the earliest possible date. The Staff Director shall notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement has been made.

[b] c. Power to Subpoena.--For the purpose of carrying out any of its functions and duties under House Rules X and XI, the Committee is authorized to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it deems necessary. A subpoena may be authorized and issued in the conduct of any investigation or series of investigations or activities by the [full] Committee or by a Subcommittee when authorized by

a rollcall vote of the majority of the members of the [full] Committee, a majority being present, except that no proxies may be used to vote on the authorization and issuance of such a subpoena. Authorized subpoenas shall be signed by the Chairman or the Vice Chairman of the [full] Committee or by any other member the [full] Committee may designate. Notice of a meeting to consider a motion to authorize and issue a subpoena shall be given to all members of the full Committee by 5 p.m., of the day preceding the day of such meeting. Compliance with a Committee or Subcommittee issued subpoena may be enforced only as authorized or directed by the House.

d. Scheduling of Hearings and Witnesses.--Except as otherwise provided in this paragraph, the scheduling of hearings and witnesses and determination of the time allowed for the presentation of testimony and interrogation shall be at the discretion of the Chairman or a majority of the Committee or Subcommittee. Whenever any hearing is conducted by the Committee or Subcommittee upon any measure or matter, the Committee's or Subcommittee's minority party members shall be entitled, upon request by a majority of them to the Chairman of the Committee or Subcommittee before the completion of the hearing, to call witnesses selected by them to testify with respect to that measure or matter during at least one day of hearing.

e. Witnesses' Statements in Advance.--Each witness who is to appear before the Committee or Subcommittee shall, insofar as practicable, file with the Staff Director a written statement of [his] the witness' prepared testimony at least two working days in advance of his appearance in order to permit the testimony to be distributed to and reviewed in advance by Committee or Subcommittee members. Witnesses shall provide sufficient copies of their statement for distribution to Committee or Subcommittee members, staff and the news media. The Committee or Subcommittee staff shall distribute such written statements to all members of the Committee or Subcommittee as soon as they are received as well as any official reports from departments and agencies on such subject matter.

f. Testimony of Witnesses.--The Chairman of the Committee or Subcommittee or any member designated by him may administer an oath to any witness. Each witness who has been subpoenaed, upon the completion of [his] the witness' testimony, may report in person or in writing to the Staff Director and sign appropriate vouchers for travel allowances and attendance fees. All witnesses [shall] may be limited in their oral presentations to brief summaries of their statements within the time allotted to them, [subject to] at the discretion of the Chairman of the Committee or Subcommittee in light of the nature of the witness and the length of time available.

g. Questioning of Witnesses.--Committee or Subcommittee members may question witnesses only when they have been recognized by the Chairman of the Committee or Subcommittee for that purpose. Each member so recognized shall be limited to questioning a witness (or panel of witnesses) for five minutes until such time as each member of the Committee or Subcommittee who so desires has had an opportunity to question the witness (or panel of witnesses) for five minutes, and, thereafter, the Chairman of the Committee or Subcommittee may limit the time of further questioning after giving due consideration to the importance of the subject matter and the length of time available. All questions put to witnesses shall be germane to the measure or matter under consideration. Unless the Chairman or a majority of the Committee or Subcommittee determines otherwise, no person shall interrogate witnesses other than members and Committee or Subcommittee staff.

h. Open Hearings.--Each hearing conducted by the Committee or Subcommittee shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: Provided, however, That the Committee or Subcommittee may, by the same procedure, vote to close one subsequent day of hearing. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony (1) may vote to close the hearing for sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate Rule III(k) or (2) may vote to close the hearing, as provided in Rule III(k). In any event, no member may be excluded from nonparticipatory attendance at any hearing unless the House shall by majority vote authorize the [full] Committee or [a] Subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its meetings to members by means of the above procedure.

i. Quorum.--The quorum for taking testimony and receiving evidence shall be two members of the Committee or Subcommittee.

j. Record of Hearing.--An accurate stenographic record shall be kept of all testimony taken at public hearings. Any public witness may, during Committee office hours in the Committee offices and within two weeks of the close of hearings, examine the transcript of his or her own testimony and make such grammatical or technical changes as will not substantially alter the nature of testimony given. Members of the Committee or Subcommittee shall receive copies of transcripts for their prompt review and correction for return to the Committee. The Chairman of the Committee may order the printing of a hearing record without the corrections of any member or witness if he determines that such member or witness has been afforded a reasonable time in which to make such corrections and further delay would seriously impede the consideration of the legislative action which is the subject of the hearing. The record of a hearing closes [within] ten calendar days [of] after the last oral testimony, unless the Chairman of the Committee or Subcommittee otherwise determines. Any person requesting to file a statement for the record of a hearing must so request before the hearing concludes and must file the statement before the record closes. No written statement becomes part of the record and thus publicly available until such time as it has been approved by the Chairman of the Committee or any Committee staff he designates, and the Chairman of the Committee or Subcommittee or his designee may reject any statement in light of its length or its tendency to defame, degrade, or incriminate any person.

k. Investigative Hearings.--The Chairman of the Committee or Subcommittee at an investigative hearing shall announce in an opening statement the subject of the investigation. A copy of the Committee rules (and the applicable provision of the House Rules set forth in Appendix B) shall be made available to each witness. Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights. The Chairman of the Committee or Subcommittee may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; (and) but only the full Committee may cite the offender to the House for contempt. [If the Committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person, it shall:

(1) receive such evidence or testimony in executive session;

(2) afford such person an opportunity voluntarily to appear as a witness; and

(3) receive and dispose of requests from such person to subpoena additional witnesses.] Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person--

(1) such testimony or evidence shall be presented in executive session, notwithstanding the provisions of Rule III(h), if by a majority of those present, there being in attendance the requisite number required under the rules of

the Committee to be present for the purpose of taking testimony, the Committee or Subcommittee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person;

(2) the Committee or Subcommittee shall proceed to receive such testimony in open session only if a majority of the members of the Committee or Subcommittee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person. In either case the Committee or Subcommittee shall afford such person an opportunity voluntarily to appear as a witness; and the Committee or Subcommittee shall receive and the Committee shall dispose of requests from such person to subpoena additional witnesses.

Except as provided herein, the Chairman shall receive and the Committee shall dispose of requests to subpoena additional witnesses. No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Committee or Subcommittee. In the discretion of the Committee or Subcommittee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The Committee or Subcommittee is the sole judge of the pertinency of testimony and evidence adduced at its hearings. A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the Committee or Subcommittee.

1. Broadcasting and Photography.--[Television and radio broadcasting and still photography of all or part of any Committee hearing or meeting shall be permitted only when the Committee by a majority vote agrees to such broadcasting and/or still photography. All news media shall be permitted to attend public hearings. Unless a majority of the Committee grants permission, no person, including representatives of the news media or official reporters, shall use photographic or electronic devices to record the conduct of any hearing or meeting.] Television, film making, live radio broadcasting and still photography of all or part of any Committee hearing or meeting shall be permitted only when the Committee by a majority vote agreed or, if the Committee cannot be polled in a timely manner, when approved by the Chairman of the Committee after consultation with the Ranking Minority Member. Except as otherwise determined by the Committee, television, film making, live radio broadcasting and still photography of all or part of any Subcommittee hearing or meeting shall be permitted only when the Subcommittee by a majority vote agrees or, if the Subcommittee cannot be polled in a timely manner, when approved by the Chairman of the Committee or the Chairman of the Subcommittee after consultation with the Ranking Minority Member of the Committee or Subcommittee. Any broadcasting, electronic recording, film making, and/or still photography of all or part of a hearing or meeting shall be subject to the provisions of House Rule XI-3(f) which appear in Appendix B. [In the event that the Committee votes to permit broadcasting and/or

still photography of all or part of a hearing or meeting, the following conditions shall apply:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the Committee shall be required against his or her will to be photographed at any hearing or to give eivdence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio or television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of House Rule XI, relating to the protection of the rights of witnesses.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the Committee or the visibility of that witness and a member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing room while the Committee is in session.

(7) Floorlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equiptable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio

and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

IV. THE REPORTING OF BILLS AND RESOLUTIONS

a. Filing of Reports.--The Chairman shall report or cause to be reported promptly to the House any bill or resolution approved by the Committee and shall take or cause to be taken all necessary steps to bring said bill or resolution to a vote. A Committee report on any bill or resolution approved by the Committee shall be filed within seven calendar days (not counting days on which the House is not in session) after the day on which there has been filed with the Staff Director of the Committee a written request, signed by a majority of the Committee, for the reporting of that bill or resolution. The Staff Director of the Committee shall notify the Chairman immediately when such a request is filed.

b. Content of Reports.--Each Committee report on any bill or resolution approved by the Committee shall include as separately identified sections:

(1) a statement of the intent or purpose of the bill or resolution;

(2) a statement describing the need for such bill or resolution;

(3) the results of the rollcall vote on the motion to report such bill or resolution, including the total number of votes cast for and total number of votes cast against said reporting;

(4) the detailed statement described in section 308(a) of the Congressional Budget Act of 1974 if the bill or resolution provides new budget authority (other than continuing appropriations) or new or increased tax expenditures;

(5) the estimate of costs and comparison of such estimates, if any, prepared by the Director of the Congressional Budget Office in connection with such bill or resolution pursuant to section 403 of the Congressional Budget Act of 1974 and submitted in timely fashion to the Committee;

(6) any oversight findings and recommendations made by the Committee or the Committee on Government Operations or both to the extent such were available during the Committee's deliberations on the bill or resolution;

(7) a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy;

(8) an estimate of the costs which would be incurred in carrying out such bill or joint resolution in the fiscal year in which it is reported and for its authorized duration for each of the five fiscal years following the fiscal year of reporting, whichever period is less, together with a comparison of these estimates with those made and submitted to the Committee by any Government agency.

(9) the changes in existing law (if any) shown in accordance with Rule XIII, clause 3, of the House Rules;

(10) the determination required pursuant to section 5(a) of Public Law 92-463, if the legislation reported establishes or authorizes the establishment of an advisory committee; and

(11) such other matter as the Chairman of the Committee determines to be useful for public understanding of the intent and effect of the bill or resolution.

c. Supplemental, Minority, or Additional Views.--If, at the time of approval of any measure or matter by the Committee, any member of the Committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the Staff Director of the Committee. All such views so filed by one or more members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter. The report of the Committee upon that measure or matter shall be printed in a single volume which shall:

(1) include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report; and

(2) bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (C) and (D) of paragraph (1)(3) of House Rule XI, clause 2) are included as part of the report.

This shall not preclude the immediate filing or printing of a Committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph or the filing by the Committee of any supplemental report upon any bill or resolution which may be required for the correction of any technical error in a previous report made by the Committee upon that bill or resolution.

d. Availability of Hearings.--If hearings have been held on any reported bill or resolution, the Committee shall make every reasonable effort to have such hearings printed and available for distribution to the members of the House prior to the consideration of such bill or resolution by the House [except for any executive decision, determination, or action which would become, or continue to be effective unless disapproved or otherwise invalidated by one or both Houses of Congress].

e. Committee Prints.--All Committee or Subcommittee prints or other Committee or Subcommittee documents, other than reports or prints of bills, that are prepared for public distribution shall be approved by the Chairman of the [full] Committee or the [full] Committee prior to public distribution.

f. Publication of Minutes.--The Chairman of the [full] Committee, in consultation with the Ranking Minority Member, shall cause to be published as a Committee Print on a periodic basis (and insofar as practicable on a [quarterly] semiannual basis) the minutes of all business meetings and hearings of the Committee and any of its Subcommittees and such minutes shall include a record of the attendance of members, all recorded votes and the action on all amendments and motions relating to legislation.

47-987 O - 79 - 3

V. OTHER COMMITTEE ACTIVITIES

a. Annual Appropriations.--The Committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. [For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause (d) of Rule XIII of the House Rules.] The Committee shall reivew, from time to time, each continuing program within its jurisdictions for which appropriations are not made annually in order to ascertain whether such program could be modified so that approprations therefor would be made annually.

b. Budget Act Compliance: March 15 (See Appendix [D] C).--The Committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

c. Budget Act Compliance: Subdivision of Allocations (See Appendix [D] C).--As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the Committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolutions, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

d. Budget Act Compliance: Recommended Changes (See Appendix [D] C).--Whenever the Committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process, it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget, in accordance with the Congressional Budget Act of 1974.

e. Conference Committees.--Whenever in the legislative process it becomes necessary to appoint conferees, the Chairman shall determine the number of conferees he deems most suitable and then recommend to the Speaker as conferees, in keeping with the number to be chosen, the names of those members of the Committee who were primarily responsible for the legislation and, to the fullest extent feasible, those members of the Committee who were the principal proponents of the major provisions of the bill as it passed the House and such other Committee members of the majority party as the Chairman may designate in consultation with the members of the majority party. Such recommendations shall provide a ratio of majority party members to minority party members no less favorable to the majority party than the ratio of majority members to minority party members on the Committee. In making recommendations of minority party members as conferees, the Chairman shall consult with the Ranking Minority Member of the Committee.

f. Committee Records.--All Committee or Subcommittee hearings, records, data, charts, and files [for the 95th Congress] shall be kept separate and distinct from the congressional office records of the member serving as Chairman, and such records shall be the property of the House with all members of the House having access thereto. The Staff Director shall promptly notify the Chairman and Ranking Minority Member of any request for access to such records.

## VI. SUBCOMMITTEES

a. Number and Composition.--There shall be such Subcommittees as specified in clause b of this rule each of which shall be composed of the number of members set forth in such clause, excluding ex officio members. The Chairman may create additional subcommittees of an ad hoc nature as he determines to be appropriate.

b. Jurisdiction.--The Subcommittees shall have the following general jurisdiction and number of members:

Commodity Subcommittees

Cotton ([eight] seven members, [six] five majority and two minority).--Cotton matters generally.

Dairy and Poultry ([eleven] twelve members, eight majority and [three] four minority).--Dairy, poultry, and bees.

Forests ([eleven] seven members, [eight] five majority and [three] two minority).--Forestry generally.

Livestock and Grains ([seventeen] eighteen members, twelve majority and [five] six minority).--Livestock, wheat, feedgrains generally.

Oilseeds and Rice ([eleven] seven members, [eight] five majority and [three] two minority).--Peanuts, soybeans, oilseeds and rice generally.

Tobacco ([eight] seven members, [six] five majority and two minority).--Tobacco generally.

Operational Subcommittees

Conservation and Credit ([seventeen] eighteen members, twelve majority and [five] six minority).--Soil and water conservation small watershed program, commodity futures, agricultural credit generally.

Domestic Marketing, Consumer Relations, and Nutrition ([eleven] nine members, [eight] six majority and three minority).--Marketing orders, domestic marketing, food stamps, nutrition, and consumer programs generally.

Department Investigations, Oversight and Research ([fourteen] ten members, [ten] seven majority and [four] three minority).--Foreign agricultural programs (other than Public Law 83-480), agency review and analysis generally, research and pesticides.

Family Farms, Rural Development and Special Studies ([fourteen] twelve members, [ten] eight majority and four minority).--Family farming, rural development generally, rural housing and special studies.

c. Referral of Legislation.--In the case of any measure or matter not specifically described above, or which includes the jurisdiction of two or more Subcommittees, the Chairman may, unless the Committee by a majority vote decides otherwise, refer such measure or matter simultaneously to two or more Subcommittees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any Subcommittee), or divide the matter into two or more parts reflecting different subjects and jurisdiction and refer each part to a different Subcommittee, or refer the matter to an ad hoc Subcommittee appointed by him for the specific purpose of considering that matter and reporting to the Committee thereon, or make such other provisions as may be considered appropriate. The Chairman, with the approval of a majority of the Committee, shall have authority to discharge a Subcommittee from further consideration of any bill, resolution, or other matter referred thereto and have such bill, resolution, or other matter considered by the Committee. All legislation and other matters referred to the Committee shall be referred to the Subcommittee of appropriate jurisdiction within two weeks unless, by majority vote of the members of the [full] Committee, consideration is to be by the [full] Committee.

d. Service on Subcommittees.--The Chairman and the Ranking Minority Member shall serve as ex officio members of all Subcommittees and shall have the right to vote on all matters before such Subcommittees, but shall not be counted

for the purpose of establishing a quorum. Any member of the [full] Committee may have the privilege of sitting with any Subcommittee during its hearings or deliberations and participate therein, but shall not have authority to vote on any matter, nor be counted present for the purpose of a quorum for any Subcommittee action, nor, except as the Subcommittee Chairman or a majority of the Subcommittee may permit, participate in questioning of witnesses under the five-minute rule, nor raise points of order unless such member is a member of such Subcommittee.

e. Subcommittee Hearings and Meetings.--Each Subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee on all matters referred to it or under its jurisdiction. Subcommittee Chairmen shall set dates for hearings and meetings of their Subcommittees, after consultation with the Chairman of the Committee and one another, with a view toward avoiding simultaneous scheduling of Committee and Subcommittee meetings or hearings whenever possible. Notice of all such meetings shall be given to the Chairman and the Ranking Minority Member of the [full] Committee by the Staff Director. The provisions of Rule II regarding notice and agenda of Committee meetings and of Rule IIb regarding special meetings shall apply as well to Subcommittee meetings.

f. Subcommittee Action.--Any bill, resolution, recommendation or other matter ordered reported to the Committee by a Subcommittee shall be promptly reported by the Subcommittee Chairman or any Subcommittee member authorized to do so by the Subcommittee. Upon receipt of such report, the Staff Director shall promptly advise all members of the Committee of the Subcommittee action. The Committee shall not consider any matters reported by Subcommittees until two calendar days have elapsed from the date of reporting, unless the Chairman or a majority of the Committee determines otherwise.

g. Subcommittee Investigations.--Except for the Subcommittee on Department Investigations, Oversight and Research, no investigation shall be initiated by a Subcommittee without the approval of the Chairman of the [full] Committee or a majority of the [full] Committee.

VII. COMMITTEE BUDGET, STAFF, AND TRAVEL

a. Committee Budget.--The Chairman shall, for each session of the Congress, prepare a budget providing amounts for staff personnel, necessary travel, investigation, and other expenses of the Committee.

b. Committee Staff.--The staff of the Committee shall perform such duties as are authorized by law and shall be under the general supervision and direction of the Chairman. Staff assigned to each Subcommittee shall perform such duties as are authorized by law and shall be under the general supervision and direction of the Chairman of the Committee and the Chairman of the Subcommittee. Committee members seeking assistance from the staff shall make their requests through

the Chairman or Ranking Minority Member. The Chairman shall insure that each Subcommittee is adequately funded and staffed to discharged its responsibilities.

c. Committee Travel.--Funds authorized for the Committee under clause 5 of House Rule XI are for expenses incurred in the Committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee and its employees engaged in carrying out their official duties outside the United States, its territories or possessions. No appropriated funds shall be expended for the purpose of defraying expenses of members of the Committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of the Committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law; and

(2) Each member or employee of the Committee shall make an itemized report to the Chairman within 60 days following the completion of travel showing the dates each country was visited, the amount of per diem furnished, the cost of transportation furnished, any funds expended for any other official purpose, and shall summarize in these categories the total foreign currencies and/or appropriated funds expended. All such individual reports shall be filed by the Chairman with the Committee on House Administration and shall be open to public inspection.

VIII. AMENDMENT OF RULES

These rules may be modified, amended, or repealed, by a majority vote of the [full] Committee, provided that two legislative days written notice of the proposed change has been provided each member of the [full] Committee prior to the meeting date on which such changes are to be discussed and voted upon.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

SUBCOMMITTEE ASSIGNMENTS FOR 96th CONGRESS

COMMODITY SUBCOMMITTEES

COTTON
(Ratio 5-2)

David R. Bowen, Mississippi, Chairman

Tony Coelho, California
Ed Jones, Tennessee
Kent Hance, Texas
Charles W. Stenholm, Texas
Margaret M. Heckler, Massachusetts
William M. Thomas, California

DAIRY AND POULTRY
(Ratio 8-4)

Alvin Baldus, Wisconsin, Chairman

Charles Rose, North Carolina
Daniel K. Akaka, Hawaii
Tony Coelho, California
Walter B. Jones, North Carolina
Charles Whitley, North Carolina
Beryl Anthony, Jr., Arkansas
Charles W. Stenholm, Texas
James M. Jeffords, Vermont
Richard Kelly, Florida
Tom Hagedorn, Minnesota
Larry J. Hopkins, Kentucky

FORESTS
(Ratio 5-2)

James Weaver, Oregon, Chairman

Beryl Anthony, Jr., Arkansas
Jerry Huckaby, Louisiana
Tony Coelho, California
Richard Nolan, Minnesota
James P. Johnson, Colorado
Steven D. Symms, Idaho

LIVESTOCK AND GRAINS
(Ratio 12-6)

Charles Rose, North Carolina, Chairman

Berkley Bedell, Iowa
Glenn English, Oklahoma
Thomas A. Daschle, South Dakota
Charles W. Stenholm, Texas
E de la Garza, Texas
Floyd J. Fithian, Indiana
Ike Skelton, Missouri
Ed Jones, Tennessee
Richard Nolan, Minnesota
Alvin Baldus, Wisconsin
Kent Hance, Texas
Keith G. Sebelius, Kansas
James P. Johnson, Colorado
Tom Hagedorn, Minnesota
E. Thomas Coleman, Missouri
Steven D. Symms, Idaho
Ron Marlenee, Montana

OILSEEDS AND RICE
(Ratio 5-2)

Dawson Mathis, Georgia, Chairman

Walter B. Jones, North Carolina
David R. Bowen, Mississippi
Charles Whitley, North Carolina
Charles W. Stenholm, Texas
Paul Findley, Illinois
William M. Thomas, California

TOBACCO
(Ratio 5-2)

Walter B. Jones, North Carolina, Chairman

Charles Whitley, North Carolina
Dawson Mathis, Georgia
Charles Rose, North Carolina
Alvin Baldus, Wisconsin
Richard Kelly, Florida
Larry J. Hopkins, Kentucky

OPERATIONAL SUBCOMMITTEES

CONSERVATION AND CREDIT
(Ratio 12-6)

Ed Jones, Tennessee, Chairman

Tom Harkin, Iowa
Jerry Huckaby, Louisiana
Dan Glickman, Kansas
Kent Hance, Texas
George E. Brown, Jr., California
Frederick W. Richmond, New York
James Weaver, Oregon
Alvin Baldus, Wisconsin
Berkley Bedell, Iowa
Glenn English, Oklahoma
Leon E. Panetta, California
Edward R. Madigan, III, Illinois
James M. Jeffords, Vermont
Richard Kelly, Florida
E. Thomas Coleman, Missouri
Ron Marlenee, Montana
Larry J. Hopkins, Kentucky

DEPARTMENT INVESTIGATIONS, OVERSIGHT, AND RESEARCH
(Ratio 7-3)

E de la Garza, Texas, Chairman

George E. Brown, Jr., California
Floyd J. Fithian, Indiana
Ike Skelton, Missouri
Dan Glickman, Kansas
Glenn English, Oklahoma
Thomas A. Daschle, South Dakota
William C. Wampler, Virginia
Margaret M. Heckler, Massachusetts
Charles E. Grassley, Iowa

DOMESTIC MARKETING, CONSUMER RELATIONS, AND NUTRITION
(Ratio 6-3)

Frederick W. Richmond, New York, Chairman

Leon E. Panetta, California
Richard Nolan, Minnesota
Dan Glickman, Kansas
Daniel K. Akaka, Hawaii
Tom Harkin, Iowa
Steven D. Symms, Idaho
Margaret M. Heckler, Massachusetts
Charles E. Grassley, Iowa

FAMILY FARMS, RURAL DEVELOPMENT, AND SPECIAL STUDIES
(Ratio 8-4)

Richard Nolan, Minnesota, Chairman

Daniel K. Akaka, Hawaii
Tom Harkin, Iowa
Thomas A. Daschle, South Dakota
Beryl Anthony, Jr., Arkansas
Frederick W. Richmond, New York
Berkley Bedell, Iowa
Leon E. Panetta, California
Charles E. Grassley, Iowa
Keith G. Sebelius, Kansas
E. Thomas Coleman, Missouri
William M. Thomas, California

NOTE: Thomas S. Foley, Chairman, and William C. Wampler, Ranking Minority Member, ex officio members of all Subcommittees.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Wednesday, February 7, 1979

(~~Sub~~) Committee Full

Meeting: Public Hearing

Subject: State of Agriculture -- Discussion by Secretary Bergland

Bill Nos.

The Full ~~(Sub)~~ Committee

met in open Session at 10:00 o'clock, in Room 1100

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Whitley | Mr. Wampler |
| Mr. Jones (N.C.) | Mr. Coelho | Mr. Sebelius |
| Mr. Jones (Tenn.) | Mr. Daschle | Mr. Findley |
| Mr. Mathis | Mr. Hance | Mr. Symms |
| Mr. Richmond | Mr. Anthony | Mr. Jeffords |
| Mr. Nolan | Mr. Stenholm | Mr. Kelly |
| Mr. Weaver | Mr. | Mr. Grassley |
| Mr. Baldus | Mr. | Mr. Hagedorn |
| Mr. Bedell | Mr. | Mr. Coleman |
| Mr. English | Mr. | Mr. Marlenee |
| Mr. Fithian | Mr. | Mr. Hopkins |
| Mr. Panetta | Mr. | Mr. Thomas |
| Mr. Skelton | Mr. | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Glickman | Mr. | |
| Mr. Akaka | Mr. | |

Staff present:

| | | |
|---|---|---|
| Fowler C. West | Jerry Jorgensen | Jerry Welcome |
| Bob Bor | Wayne Fletcher | Ann Cole |
| John Hogan | Mary Jarratt | Mary Ross |
| Tony Imhof | Lee Musil | Tom Adams |
| John Kramer | Al Zepp | Jim Culver |
| Gary Norton | Bert Pena | Carol Dubard |
| Glenda Temple | Joe Crapa | Dolores Meadows |
| Gene Moos | Bob Cashdollar | Jim Tippett |
| Bernie Brenner | Leighton Lang | Rita DiSimone |
| Susan Bell | Linda Miller | Paul Theis |
| George Dunsmore | Steve Eure | Jim Swiderski |
| | | Steve Adams |

Witnesses:

The Honorable Bob Bergland, Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C.

Acc. by: Howard W. Hjort, Director of Economics, Policy Analysis, and Budget
Carol Tucker Foreman, Assistant Secretary for Food and Consumer Services
Jim Williams, Deputy Secretary Designee

Statements Filed:

None

Wednesday, February 7, 1979
Full Committee
Public Hearing
State of Agriculture--Discussion by
Secretary Bergland

Chairman Foley called the meeting to order. He announced that the Committee will hold five days of public hearings, beginning Tuesday, February 13, at 10:00 a.m., to review the operations of existing government farm programs and proposals for improving them.

Secretary Bergland was recognized for his prepared statement on the current agricultural situation. Following presentation of his testimony, the Secretary was questioned by the Members of the Committee.

At 1:30 p.m. the meeting was adjourned by Acting Chairman de la Garza to reconvene on February 13 to hear Members of Congress discuss the current agricultural situation.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Tuesday, February 13, 1979

~~(Sub)~~ Committee Full

Meeting: Public Hearing

Subject: Current Agricultural Situation

Bill Nos.

The Full ~~(Sub)~~ Committee

met in open Session at 10:00 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Wampler | Mr. |
| Mr. de la Garza | Mr. Sebelius | Mr. |
| Mr. Jones (Tenn.) | Mr. Grassley | Mr. |
| Mr. Mathis | Mr. Coleman | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. English | Mr. | Mr. |
| Mr. Skelton | Mr. | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. Anthony | Mr. | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

| | |
|---|---|
| Fowler C. West | John Waits |
| Bob Bor | Joe Crapa |
| John Hogan | Al Zepp |
| Tony Imhof | Lee Musil |
| Gary Norton | Jerry Jorgensen |
| Glenda Temple | Wayne Fletcher |
| Bernie Brenner | Steve Adams |
| Jim Culver | Tom Adams |
| Bob Cashdollar | Carol Forbes |

47-987 O - 79 - 4

Witnesses:

1. Hon. Bill D. Burlison, Member of Congress from Missouri.
2. Hon. Jack Hightower, Member of Congress from Texas.
3. Hon. Marvin Leath, Member of Congress from Texas.
4. Hon. E. Thomas Coleman, Member of Congress from Missouri.
5. Hon. Berkley Bedell, Member of Congress from Iowa.
6. Hon. Donald Joseph Albosta, Member of Congress from Michigan.
7. Hon. Peter Peyser, Member of Congress from New York.
8. Hon. Tom Daschle, Member of Congress from South Dakota.
9. Hon. Charles Grassley, Member of Congress from Iowa.

Statements Filed:

1. Hon. Alvin Baldus, Member of Congress from Wisconsin.

Tuesday, February 13, 1979
Full Committee
Public Hearing
Current Agricultural Situation

Chairman Foley called the meeting to order for the purpose of receiving testimony on the current agricultural situation. The witnesses listed on page 2 of these minutes were recognized for their prepared statements. Following presentation of their testimony, the witnesses were questioned by the Members of the Committee.

At 11:45 a.m. the meeting was adjourned to reconvene at 10:00 a.m. on Wednesday, February 14, to hear representatives of the American Agricultural Movement.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Wednesday, February 14, 1979

~~(Sub)~~ Committee Full

Meeting: Public Hearing

Subject: Current Agricultural Situation

Bill Nos. _____

The ~~Full~~ ~~(Sub)~~ Committee

met in ~~open~~ Session at ~~10:00~~ o'clock, in Room ~~1301~~

The following Members were present:

Mr. Foley
Mr. de la Garza
Mr. Jones (N.C.)
Mr. Jones (Tenn.)
Mr. Mathis
Mr. Richmond
Mr. Nolan
Mr. Baldus
Mr. Harkin
Mr. Bedell
Mr. English
Mr. Skelton
Mr. Huckaby
Mr. Glickman
Mr. Daschle
Mr. Hance

Mr. Anthony
Mr. Stenholm

Mr. Wampler
Mr. Sebelius
Mr. Findley
Mr. Symms
Mr. Johnson
Mr. Madigan
Mrs. Heckler
Mr. Grassley
Mr. Hagedorn
Mr. Coleman
Mr. Hopkins

Staff present:

Fowler C. West
Bob Bor
Tony Imhof
Gary Norton
Glenda Temple
John Hogan
Carol Forbes
Jerry Jorgensen
Wayne Fletcher
John Waits
Leighton Lang
Mary Ross
Bert Pena
Al Zepp
Carol Dubard
Mary Ross

Witnesses:

American Agriculture Movement

1. Panel:
   Jerome Friemel, Hereford, Texas
   Bud Bitner, Walsh, Colorado
   Gene Schro Campo, Colorado

2. Panel: Equal Rights and Young People in Agriculture
   Albert Datcher, Alabama
   Harry Mitchell, Georgia
   Tommy Fulford, Georgia
   Lynmore James, Georgia

3. Panel: Inflationary Impact
   Linda Vowels, Idaho
   Maude Vowels, Idaho
   Joyce Robinson, Montana
   Ed Osborne, California
   George Camili, Jr., Oklahoma
   Eric Hall, California

4. Panel: Cost-Price Squeeze
   Nathan Wilson, Indiana
   Wayne Hefley, Indiana
   Jerry Legg, Oklahoma
   Keith Goldman, Indiana

5. Panel: Soil Conservation
   Charlie Guthrie, Illinois

6. Panel: USDA Budget Exposure
   Larry Wright, Nebraska
   Stan DeBoer, Nebraska

Statements Filed:

1. Mr. Lyman Knapp, Blackwell, Oklahoma

2. Mr. Arim Leising, Arapahoe, Nebraska

3. Mr. David Wahl, Genesee, Idaho

Wednesday, February 14, 1979
Full Committee
Public Hearing
Current Agricultural Situation

Chairman Foley called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on the current agricultural situation. Following presentation of their statements, the witnesses were questioned by the Members of the Committee.

At 12:40 a.m. the meeting was adjourned to reconvene at 10:00 a.m. on Thursday, February 15, to hear additional witnesses from the American Agricultural Movement.

Glenda Temple

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Thursday, February 15, 1979

~~(Sub)~~ Committee Full

Meeting: Public Hearing

Subject: Current Agricultural Situation

Bill Nos.

The Full ~~XXXX~~ (Sub) Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Wampler | Mr. |
| Mr. Jones (N.C.) | Mr. Sebelius | Mr. |
| Mr. Bowen | Mr. Findley | Mr. |
| Mr. Richmond | Mr. Symms | Mr. |
| Mr. Baldus | Mr. Johnson | Mr. |
| Mr. Harkin | Mr. Madigan | Mr. |
| Mr. Bedell | Mr. Grassley | Mr. |
| Mr. English | Mr. Hagedorn | Mr. |
| Mr. Skelton | Mr. Coleman | Mr. |
| Mr. Huckaby | Mr. Hopkins | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Whitley | Mr. | Mr. |
| Mr. Coelho | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Stenholm | Mr. | |
| Mr. | Mr. | |

Staff present:

| | |
|---|---|
| Fowler C. West | John Waits |
| Bob Bor | Jerry Jorgensen |
| Tony Imhof | Carol Forbes |
| John Hogan | Wayne Fletcher |
| Gary Norton | Bob Cashdollar |
| Glenda Temple | Joe Crapa |
| Bernie Brenner | Lee Musil |
| Jim Culver | Al Zepp |

Witnesses:

1. Panel: Impact on Food Prices and World Food Supply
   Patty Stulp, Colorado
   Carl McClure, Colorado

2. Panel: Impact on Livestock Producers
   Leon D. Riffel, Kansas
   Richard G. Verbeke, Michigan
   Bud Thiessen, Iowa
   John Giorgi, California

3. Panel: Exports
   Eugene L.Shore, Kansas
   Ronald G. Chase, Kansas
   Darrell Miller, Kansas
   Walter McClure, Kansas

4. Panel: Cotton
   James A. Long, Texas
   Mell Cherry, Texas

5. Panel:
   Jim DuPree, Arkansas
   L. A. Davidson, Mississippi
   Chappell Sides, Jr., Mississippi

6. Panel: Grains
   Bruce Laughlin, North Dakota
   R. T. Sloan, Missouri
   Larry Phinney, Michigan
   Robert L. Tesluck, Michigan
   Tom Tesluck, Michigan

7. Panel:
   Polly Woodham, South Carolina
   Julia Watkins, Virginia
   Jeanne Rohl, Wisconsin

8. Reverend Andrew Gottschalk, Denver, Colorado.

Statements Filed:

1. Wilbur Guthrie, Vermilion County, Illinois

2. J. E. Bartelsmeyer, Mt. Vernon, Missouri.

Thursday, February 15, 1979
Full Committee
Public Hearing
Current Agricultural Situation

Acting Chairman Bedell called the meeting to order and recognized Mr. Sebelius for comments on the current agricultural situation. Chairman Foley recognized the witnesses listed on page 2 for their prepared testimony. Following presentation of their statements, the witnesses were questioned by the Members of the Committee.

The following special introductions were made: Mr. Johnson introduced Ms. Stulp and Mr. McClure; Mr. Sebelius introduced Mr. Riffel and Panel 3; Mr. Grassley introduced Mr. Thesin; Mr. Stenholm introduced Panel 4; and Mr. Bowen introduced Panel 5.

At 12:50 p.m. the meeting was adjourned to reconvene on Tuesday, February 20, to receive additional testimony on the operation of the current farm program and possible legislative proposals and recommendations.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

DATE February 15, 1979

(SUB) COMMITTEE Tobacco

SUBJECT: Proposal to establish a 5-day selling week for the flue-cured tobacco belt

BILL NOS.

The Tobacco (Sub)Committee met in Open Session at 2:17 p.m. o'clock, in Room 1302.

The following Members were present:

| | | | | | Also Present |
|---|---|---|---|---|---|
| Mr. | Jones, N.C. | Mr. | Hopkins | Mr. | Perkins |
| Mr. | Whitley | Mr. | Wampler | Mr. | Fountain |
| Mr. | Rose | Mr. | | Mr. | Jenrette |
| Mr. | Baldus | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | | | | |

Staff present:

Charlotte Farwell, Staff Assistant
Carol Dubard, Staff Assistant
Wanda Worsham, Staff Assistant

Action taken:
-- By unanimous voice vote, Whitley resolution was agreed to.

Witnesses:

1. Mr. Albert G. Clay, Chairman of the Board, Burley Auction Warehouse Association, Mt. Sterling, Kentucky

2. Dr. Hugh Kiger, Executive Vice President, Leaf Tobacco Exporters Association, Raleigh, North Carolina

   Acc. by: Mr. Howard Cone, Senior Vice President, Universal Leaf Tobacco Company, Richmond, Virginia

3. Mr. Harry S. Bell, President, South Carolina Farm Bureau Federation, Columbia, South Carolina

4. Mr. Lonzo Israel, South Carolina State Grange, Nichols, South Carolina

5. Mr. James W. Hill, Managing Director, Bright Belt Warehouse Association, Inc., Raleigh, North Carolina

6. Mr. Thomas W. Allen, Jr., Chairman, North Carolina State Grange, Creedmoor, North Carolina

7. Mr. Bill Little, Director, Commodities for the North Carolina Farm Bureau Federation, Raleigh, North Carolina

Statements Filed:

1. Letter from: Mr. Stewart N. Smith, Acting Administrator, Agricultural Stabilization and Conservation Service, USDA, Washington, D.C.
2. Telex from Carreras-Rothmans Ltd., Basildon, Essex, England
3. Telex from Skandinabisk Tobakskompagni A/S, Soborg, Denmark
4. Statement from Fred Barnes, the Board of Directors of Flue-Cured Tobacco Cooperative Stabilization Corporation, Raleigh, North Carolina
5. Letter from: Mr. Robert E. Clements, Vice President, R. J. Reynolds Tobacco Company, Winston-Salem, North Carolina 27102
6. Letter from: Mr. D. R. Tedder, Vice President, Leaf Operations, Lorillard, Greensboro, North Carolina 27401
7. Letter from: Mr. William G. Longest, Jr., Vice-President - Leaf, Philip Morris, Richmond, Virginia
8. Letter from: Wayne Edwards, Ticket Marker, Abingdon, Virginia

Thursday, February 15, 1979
Tobacco Subcommittee
Public Hearing
Five-Day Selling Week for the
Flue-Cured Tobacco Belt

Chairman Walter Jones called the meeting to order for the purpose of hearing testimony from the witnesses listed on page 2 of these minutes for their prepared statements. Following presentation of their testimony, the witnesses were questioned by the Members of the Subcommittee.

The Chairman recognized Honorable Carl D. Perkins, Honorable John W. Jenrette, Jr., and Honorable L. H. Fountain to introduce witnesses from their Congressional Districts. The Chairman also introduced from his Congressional District Mr. Bill Little.

Mr. Howard Cone submitted two telexes for inclusion in the hearing record.

The Chairman and Mr. Wampler submitted letters which appear on page 2 of these minutes to be included in the hearing record.

The Chairman recognized Mr. Whitley who moved that the Tobacco Subcommittee resolve that the USDA be requested to reexamine its position to establish the five-day selling week and to give further consideration to retaining the present system as it has successfully existed since 1968 and report back to the subcommittee accordingly. In the presence of a quorum and by unanimous voice vote, Mr. Whitley's resolution was agreed to.

At 3:55 p.m., the Chairman adjourned the meeting subject to the call of the chair.

Wanda Worsham

Wanda M. Worsham

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Wednesday, February 21, 1979

(~~Sub~~) Committee Full

Meeting: Public Hearing

Subject: Current Agricultural Situation

Bill Nos.

The Full (~~Sub~~) Committee

met in open Session at 2:00 o'clock, in Room 1301

The following Members were present:

| | | | | | |
|---|---|---|---|---|---|
| Mr. | Foley | Mr. | Sebelius | Mr. | |
| Mr. | Jones (N.C.) | Mr. | Symms | Mr. | |
| Mr. | Rose | Mr. | Grassley | Mr. | |
| Mr. | Baldus | Mr. | Coleman | Mr. | |
| Mr. | Bedell | Mr. | Marlenee | Mr. | |
| Mr. | Panetta | Mr. | Hopkins | Mr. | |
| Mr. | Skelton | Mr. | Thomas | Mr. | |
| Mr. | Glickman | Mr. | | Mr. | |
| Mr. | Whitley | Mr. | | Mr. | |
| Mr. | Coelho | Mr. | | Mr. | |
| Mr. | Daschle | Mr. | | Mr. | |
| Mr. | Hance | Mr. | | Mr. | |
| Mr. | Anthony | Mr. | | Mr. | |
| Mr. | Stenholm | Mr. | | Mr. | |
| Mr. | | Mr. | | | |
| Mr. | | Mr. | | | |

Staff present:

Fowler C. West
Bob Bor
John Hogan
Glenda Temple
Bernie Brenner
Gene Moos
John Waits
Jim Culver
Carol Forbes
Jerry Jorgensen
Wayne Fletcher
Lee Musil

Witnesses:

1. Mr. Ernest Wilson, Uniondale, Indiana.

2. Mr. Gerald Elkins, Hart, Texas.

3. Mr. W. Chandler Johnson, West Point, Virginia.

4. Mr. Elroy Karius, Box 2079, Melville, Sask., Canada, Canadian Agricultural Movement.

   Acc. by: Mr. Ben Hudye

5. Mr. Donald Johnson, Plains Cotton Growers, Lubbock, Texas.

6. Mr. B. F. Smith, Executive Vice President, Delta Council.

7. Mr. L. C. "Clell" Carpenter, Midcontinent Farmers Association, Columbia, Missouri.

   Acc. by: Mr. Hilton Bracey

8. Mr. John W. (Billy) League, National Association of Farmer Elected Committeemen, Toney, Alabama.

9. Mr. Richard E. Colbert, President, Weldon State Bank, Weldon, Illinois.

10. Mr. George Atkinson, Administrative Assistant, Associated Milk Producers, Inc., San Antonio, Texas.

11. Mr. James Mitchell, Cotton Farmer, Wolfforth, Texas.

12. Mr. Kenneth Frick, Executive Vice President, Western Cotton Growers Association.

13. Mr. C. Hoke Leggett, President, National Cotton Council of America, from Hobgood, North Carolina.
(Continued Page 3)

Statements Filed:

1. Mr. Dan Felton, Jr., President, Agricultural Council of Arkansas.

2. Mr. Horst G. Denk, Independent Bakers Association.

3. Hon. Charles Whitley, Member of Congress from North Carolina.

Wednesday, February 21, 1979
Full Committee
Public Hearing
Current Agricultural Situation

Witnesses Continued:

14. Mrs. Betty Majors, National President, WIFE, from Osceola, Nebraska.

15. Mr. Peter J. T. Nelsen, Agricultural Trade Council, Sabillasville, Maryland.

16. Mr. Larry Bowley, Farmer from North Platte, Nebraska.

17. Mr. Ralph Roming, Farmer from Bovina, Texas.

Chairman Foley called the meeting to order and recognized the witnesses listed above for their prepared testimony on the current agricultural situation. Following presentation of their statements, the witnesses were questioned by the Members of the Committee.

The following special introductions were made: Mr. Hance introduced Messrs. Elkins, Johnson (Texas), Roming, Mitchell; Mr. Skelton introduced Messrs. Carpenter and Bracey; Mr. Jones (N.C.) introduced Mr. Leggett; and Mrs. Smith (Nebraska) introduced Mrs. Majors and Mr. Bowley.

At 5:00 p.m. the meeting was adjourned to reconvene at 10:00 a.m. on Thursday, February 22, to receive further testimony on the current agricultural situation.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, February 22, 1979

(~~Sub~~) Committee Full

Meeting: Public Hearing

Subject: Current Agricultural Situation

Bill Nos.

The Full (~~Sub~~) Committee

met in open Session at 10:00 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Sebelius | Mr. |
| Mr. Richmond | Mr. Findley | Mr. |
| Mr. Nolan | Mr. Johnson | Mr. |
| Mr. Baldus | Mr. Kelly | Mr. |
| Mr. Bedell | Mr. Grassley | Mr. |
| Mr. English | Mr. Coleman | Mr. |
| Mr. Panetta | Mr. Hopkins | Mr. |
| Mr. Skelton | Mr. Thomas | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

| | |
|---|---|
| Fowler C. West | Bob Cashdollar |
| Bob Bor | John Waits |
| John Hogan | Leighton Lang |
| Gary Norton | Jim Culver |
| Glenda Temple | Jerry Jorgensen |
| Bernie Brenner | Lee Musil |
| Gene Moos | |
| Rita DiSimone | |

Witnesses:

1. Mr. Henry Eschwege, Director, Community and Economic Development Division, General Accounting Office, Washington, D.C.

   Acc. by: Mr. Ed Schaeffer.

2. Mr. Reuben L. Johnson, Director of Legislative Services, National Farmers Union, Washington, D.C.

   Acc. by: Mr. Robert J. Mullins, Assistant Director of Legislative Services.

3. Mr. John C. Datt, Director, Washington Office, American Farm Bureau Federation.

   Acc. by: Mr. C. R. Johnston, President, Missouri Farm Bureau Federation.

4. Mr. Charles L. Frazier, National Farmers Organization, Washington, D.C.

5. Mr. Winston, Wilson, President, National Association of Wheat Growers, Quanah, Texas.

   Acc. by: Mr. Carl Schwensen.

6. Mr. Robert J. Wager, American Bakers Association, Washington, D.C.

7. Mr. Jim Dowty, Vice President, Texas Corn Growers Association, Dumas, Texas.

8. Mr. Mabry Foreman, Legislative Vice President, Grain Sorghum Producers Association, Felt, Oklahoma.

9. Mr. Charles D. Rhoades, Minnesota Wheat Growers Association, Red Lake Falls, Minnesota.

Statements Filed:

1. Mr. Frederick J. Heringer, California Farm Bureau Federation, Berkeley, California.

2. Mr. Randy Henningson, Submitted by Mr. Nolan of Minnesota.

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Thursday, February 22, 1979
Full Committee
Public Hearing
Current Agricultural Situation

Acting Chairman Nolan called the meeting to order. The witnesses listed on page 2 of these minutes were recognized for their prepared testimony on the current agricultural situation. Following presentation of their statements, the witnesses were questioned by the Members of the Committee.

The following special introductions were made: Mr. Nolan introduced Messrs. Eschwege, Schaeffer, and Rhoades; Mr. Hance introduced Mr. Wilson and Mr. Schwensen; and Mr. English introduced Mr. Foreman.

At 12:35 p.m. Acting Chairman Bedell adjourned the meeting to reconvene at 2:00 p.m. this date to receive additional testimony.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, February 22, 1979

(~~Sub~~) Committee Full

Meeting: Public Hearing

Subject: Current Agricultural Situation

Bill Nos.

The Full ~~XXXX~~ (Sub) Committee

met in open Session at 2:00 o'clock, in Room 1301

The following Members were present:

| | | | | | |
|---|---|---|---|---|---|
| Mr. | Foley | Mr. | Sebelius | Mr. | |
| Mr. | Weaver | Mr. | Findley | Mr. | |
| Mr. | Baldus | Mr. | Johnson | Mr. | |
| Mr. | Skelton | Mr. | Madigan | Mr. | |
| Mr. | Whitley | Mr. | Thomas | Mr. | |
| Mr. | Coelho | Mr. | | Mr. | |
| Mr. | Hance | Mr. | | Mr. | |
| Mr. | Stenholm | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | | |
| Mr. | | Mr. | | | |

Staff present:

Fowler C. West
Bob Bor
John Hogan
Gary Norton
Glenda Temple
Bernie Brenner
Lee Musil
Al Zepp
Wayne Fletcher
John Waits

Witnesses:

1. Hon. Larry Keener, Alabama State Senate.
2. Hon. Bill Adams, Alabama House of Representatives.
3. Mr. Patrick B. Healy, Secretary, National Milk Producers Federation, Washington, D.C.
4. Mr. Arnold E. Paulson, National Organization for Raw Materials, Granite Falls, Minnesota.
5. Mr. Phillip Zediker, Farmer from Montague, California.
6. Mrs. Joyce Robinson, Teton Taxpayers Association, Chouteau, Montana.
7. Mr. Jack W. Sandman, Farmer from Wauneta, Nebraska.
8. Mr. Noel W. Baker, Farmer from Alicia, Arkansas.
9. Mrs. Sandy Awtrey, Friona, Texas.
10. Mr. Gerald McCathern, Farmer from Hereford, Texas.
11. Mr. Lloyd Reeser, President, Solartronics, Inc., Weldon, Illinois.
12. Mr. David Dipman, Unified School District #352, Goodland, Kansas.

Statements Filed:

None

Thursday, February 22, 1979
Full Committee
Public Hearing
Current Agricultural Situation

Acting Chairman Baldus called the meeting to order for the purpose of receiving testimony on the current agricultural situation. The witnesses listed on page 2 of these minutes were recognized for their prepared statements. Following their presentations, the witnesses were questioned by the Members of the Committee.

The following special introductions were made: Mr. Sebelius introduced Mr. Dipman; Mr. Hance introduced Mrs. Awtrey and Mr. McCathern; and Mr. Madigan introduced Mr. Reeser.

At 4:08 p.m. Acting Chairman Whitley adjourned the meeting to reconvene subject to the call of the Chair.

Glenda Temple

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Tuesday, February 27, 1979

~~(Sub)~~ Committee Full

Meeting: Public Hearing

Subject: U.S. Sugar and Sweetener Policy

Bill Nos. H.R. 2172, et. al.

The Full ~~(Sub)~~ Committee

met in open Session at 10:00 o'clock, in Room 1301.

The following Members were present:

| | | | | | |
|---|---|---|---|---|---|
| Mr. | Foley | Mr. | Wampler | Mr. | |
| Mr. | de la Garza | Mr. | Sebelius | Mr. | |
| Mr. | Mathis | Mr. | Symms | Mr. | |
| Mr. | Richmond | Mr. | Johnson | Mr. | |
| Mr. | Baldus | Mr. | Madigan | Mr. | |
| Mr. | Harkin | Mr. | Jeffords | Mr. | |
| Mr. | Bedell | Mr. | Kelly | Mr. | |
| Mr. | Panetta | Mr. | Grassley | Mr. | |
| Mr. | Skelton | Mr. | Hagedorn | Mr. | |
| Mr. | Akaka | Mr. | Hopkins | Mr. | |
| Mr. | Whitley | Mr. | Thomas | Mr. | |
| Mr. | Coelho | Mr. | | Mr. | |
| Mr. | Daschle | Mr. | | Mr. | |
| Mr. | Hance | Mr. | | Mr. | |
| Mr. | Anthony | Mr. | | | |
| Mr. | Stenholm | Mr. | | | |

Staff present:

Fowler C. West
Bob Bor
John Hogan
Glenda Temple
Susan Bell
Linda Miller
Gene Moos
Bernie Brenner
Bert Pena
George Dunsmore
John Waits

Witnesses:

1. Hon. George Hansen, Member of Congress from Idaho.

2. Hon. Bob Traxler, Member of Congress from Michigan.

3. Hon. David C. Treen, Member of Congress from Louisiana.

4. Panel: Southern Minnesota Beet Sugar Cooperative.

   Frank Johnson, Hector, Minnesota
   Leslie Kittelson, Milan, Minnesota
   Alan Roebke, Hector, Minnesota

5. Mr. P. J. deGravelles, Jr., American Sugar Cane League.

6. Mr. Bill J. Cleavinger, President, Texas-New Mexico Sugar Beet Growers Association

   Acc. by: Mr. James W. Witherspoon, Executive Secretary

7. Mr. David Todd, Patton, Boggs and Blow, representing Central American Sugar Council.

8. Mr. Jim Allen, Director of Advocacy, National Association of Farmworker Organizations, Washington, D.C.

   Acc. by: Ms. Kathleen Pool, Legal Director
   Ms. Sandra Harding

Statements Filed:

1. Mr. Irvin Zitterkopf, Southern Minnesota Sugar Cooperative, Renville, Minnesota.

2. Ms. Anne Kanten, sugar beet farmers from Minnesota.

3. Hon. John Breaux, Member of Congress from Louisiana.

Tuesday, February 27, 1979
Full Committee
Public Hearing
U.S. Sugar and Sweetener Policy
H.R. 2172, and related bills

Acting Chairman de la Garza called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on U.S. sugar and sweetener policy. Following presentation of their statements the witnesses were questioned by the Members of the Committee.

The following special introductions were made: Mr. Nolan introduced the Southern Minnesota Beet Sugar Cooperative panel; and Mr. Hance introduced Messrs. Cleavinger and Witherspoon.

At 12:05 p.m. the meeting was adjourned to reconvene at 10:00 a.m. on Thursday, March 1, to hear Administration witnesses discuss our sugar and sweetener policy.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, February 27, 1979 - A.M.

(Sub) Committee Conservation and Credit

Meeting: Public Hearing

Subject: Crop Insurance

Bill Nos.

The Conservation and Credit (Sub) Committee

met in open Session at 9:30 a.m o'clock, in Room 1302

The following Members were present:

| | | |
|---|---|---|
| Mr. Jones (Tenn.) | Mr. Madigan | Mr. |
| Mr. Glickman | Mr. Jeffords | Mr. |
| Mr. Harkin | Mr. Kelly | Mr. |
| Mr. Richmond | Mr. Coleman | Mr. |
| Mr. Baldus | Mr. Hopkins | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. English | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Robert M. Bor, Chief Counsel
Robert Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant
Jerry Jorgensen, Staff Assistant
Al Zepp, Staff Assistant
Gary Norton, Assistant Counsel
George Dunsmore, Staff Assistant
E. Lee Musil, Staff Assistant
Eleanor Walsh, Staff Assistant

Witnesses:

1. Hon. Leon Panetta, Member of Congress from California
2. Dr. Edward Schuh, Deputy Assistant Secretary for International Affairs and Commodity Programs, U.S. Department of Agriculture
3. Mr. James Deal, Manager, Federal Crop Insurance Program, U.S. Department of Agriculture
4. Mr. Billy Ray, Chappell, Nebraska
5. Mr. Elmo Carlson, President, Deuel County State Bank, Carson Nebraska
6. Mr. Bob Starr, Redwood Falls, Minnesota
7. Mr. Dale Wright, Vice President, Holly Hill Lumber Company, Holly Hill, South Carolina

   Acc. by: Mr. Joe Hensen, National Forest Products Association Washington, D.C.

Statements Filed:

Tuesday, February 27, 1979 - A.M.
Conservation and Credit Subcommittee
Public Hearing
Crop Insurance

Chairman Ed Jones called the meeting to order and introduced and welcomed Mr. Hopkins of Kentucky to the Subcommittee. He then recognized the witnesses listed on page 2 of these minutes for their prepared statements.

Following presentation of their testimony, the witnesses were questioned by the Members of the Subcommittee.

At 12:07 p.m., the Chairman adjourned the meeting to reconvene at 2:00 p.m. this date to receive additional testimony.

Eleanor Walsh

Eleanor Walsh

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, February 27, 1979 - P.M.

(Sub) Committee Conservation and Credit

Meeting: Public Hearing

Subject: Crop Insurance

Bill Nos.

The Conservation and Credit (Sub) Committee

met in Open Session at 2:00 p.m. o'clock, in Room 1302

The following Members were present:

| | | | | | |
|---|---|---|---|---|---|
| | | | | Also Present | |
| Mr. | Jones, (Tenn.) | Mr. | Madigan | Mr. | Daschle |
| Mr. | Harkin | Mr. | Marlenee | Mr. | Brinkley |
| Mr. | Huckaby | Mr. | | Mr. | |
| Mr. | Baldus | Mr. | | Mr. | |
| Mr. | Glickman | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |

Staff present:

Robert Cashdollar, Subcommittee Staff Consultant
E. Lee Musil, Staff Assistant
Eleanor Walsh, Staff Assistant

Witnesses:

1. Mr. Arthur White, Byron, Georgia
2. Mr. Rodney Garrison, Jonestown, Mississippi
3. Mr. Ervin Haar, Onaka, South Dakota
4. Hon. James Abdnor, Member of Congress from South Dakota
5. Mr. Dalton R. Pittman, Shreveport, Louisiana
6. Mr. Eldon Pankratz, Hillsboro, Kansas

Statements Filed:

Letter and statement from Mr. J. T. Griffithis, Director, Special Projects, Florida Citrus Mutual, Lakeland, Florida

Letter from Mark W. Seetin, Commissioner, Minnesota Department of Agriculture

Tuesday, February 27, 1979 - P.M.
Conservation and Credit Sub-committee
Public Hearing
Crop Insurance

Chairman Ed Jones called the meeting to order for the purpose of hearing testimony from the witnesses listed on page 2 of these minutes for their prepared statements. Following presentation of their testimony, the witnesses were questioned by the Members of the Subcommittee.

The following special introductions were made: Mr. Brinkley introduced Mr. White; Mr. Daschle introduced Mr. Haar; Mr. Huckaby introduced Mr. Pittman; and Mr. Glickman introduced Mr. Panktratz.

At 3:30 p.m., the meeting was adjourned to reconvene on Wednesday, February 28, at 2:00 p.m. to receive additional testimony.

Eleanor Walsh

Eleanor Walsh

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, February 28, 1979

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing

Subject: Federal Crop Insurance

Bill Nos. NONE

The Conservation and Credit (Sub) Committee met in open Session at 2:05 p.m. o'clock, in Room 1302 LHOB

The following Members were present:

| | | also present: |
|---|---|---|
| Mr. Jones, Tenn., Chairman | Mr. Madigan | Mr. de la Garza |
| Mr. Harkin | Mr. Marlenee | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |

Staff present:

Mr. Bob Cashdollar, Subcommittee Staff Consultant
Mr. Wayne Fletcher, Staff Assistant
Mrs. Peggy Pecore, Staff Assistant

Witnesses:

1. Mr. Neal L. Miesbach, National Crop Insurance Council, Omaha, Nebraska
   accompanied by: Mr. Roger Levy, Independent Insurance Agents of American, Inc.
   Mr. Mike Felt, National Crop Insurance Association
   Mr. Roy Whiteman, Crop Insurance Research Bureau, Inc.

2. Mr. Richard A. Bill, Chairman, Crop Insurance Actuarial Committee
   accompanied by: Mr. E Ray Fosse, Executive Secretary, Crop Hail Insurance Actuarial Association
   Mr. Rick Gibson, American Agrinsurance
   Mr. E. J. Hagy, Manager, Rain and Hail

3. Mr. Adolph Feyereisen, Jr.Braddock, North Dakota

4. Mr. Willard Michels,Plentywood, Montana, for Mr. Howard Tefrey, Reserve, Montana

5. Mr. Charles Watkins, President and Director of North Middletown Deposit Bank, North Middletown, Kentucky

6. Mr. Bruce Clapp, farmer, Whitsett, North Carolina

7. Mr. Mike Wallace, Executive Vice President, Texas Citrus Mutual, McAllen, Texas.

8. Mr. Gill Ellis, President, Texas Citrus Mutual.

9. Dr. Richard Hensz, Director, Texas A & I University Citrus Center, Weslaco, Texas.

Statements Filed:

1. Letter from Martin Schumacher, President Emmons County Farmers Union, Linton, North Dakota to Chairman Jones.

2. Letter from Gordon L. Nelson, Mapes, North Dakota to Chairman Jones.

3. Letter from Roman Daniels, Ray, North Dakota to Chairman Jones.

Chairman Jones called the meeting to order and recognized the witnesses in the order listed on page 2 for their prepared testimony.

The witnesses were called to the witness table en bloc to answer questions from the Members as appearing in the record.

During the hearing, Congressman Cavanaugh introduced Mr. Miesbach and Congressman de la Garza introduced Messrs Wallace, Ellis, and Hensz.

The hearing was adjourned at 3:35 p.m. to reconvene at 9:30 a.m. March 1 to hear further testimony on the Federal Crop Insurance Program.

Peggy L. Pecore

Peggy L. Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, March 1, 1979

(~~Sub~~) Committee Full

Meeting: Public Hearing

Subject: Sugar and Sweetener Policy

Bill Nos. H.R. 2172, and related bills

The Full (~~Sub~~) Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | | | | |
|---|---|---|---|---|---|
| Mr. | Foley | Mr. | Wampler | Mr. | |
| Mr. | de la Garza | Mr. | Sebelius | Mr. | |
| Mr. | Richmond | Mr. | Symms | Mr. | |
| Mr. | Nolan | Mr. | Johnson | Mr. | |
| Mr. | Harkin | Mr. | Madigan | Mr. | |
| Mr. | Panetta | Mrs | Heckler | Mr. | |
| Mr. | Skelton | Mr. | Hagedorn | Mr. | |
| Mr. | Huckaby | Mr. | Coleman | Mr. | |
| Mr. | Glickman | Mr. | Marlenee | Mr. | |
| Mr. | Akaka | Mr. | Hopkins | Mr. | |
| Mr. | Anthony | Mr. | Thomas | Mr. | |
| Mr. | Stenholm | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | | |
| Mr. | | Mr. | | | |

Staff present:

Bob Bor, Chief Counsel
Glenda Temple, Clerk
Gene Moos, Staff Analyst
Susan Bell, Staff Assistant
Linda Miller, Staff Assistant
Bernie Brenner, Press Assistant
Jim Culver, Staff Assistant
Bert Pena, Subcommittee Staff Consultant
Gary Norton, Assistant Counsel

Witnesses:

1. Hon. John B. Breaux, Member of Congress from Louisiana.

2. Mr. Howard W. Hjort, Director of Economics, Policy Analysis and Budget, U.S. Department of Agriculture, Washington, D.C.

Statements Filed:

Thursday, March 1, 1979
Full Committee
Public Hearing
Sugar and Sweetener Policy
H.R. 2172, and related bills

Acting Chairman de la Garza called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on United States sugar and sweetener policy. Following presentation of their statements the witnesses were questioned by the Members of the Committee.

At 12:00 noon the meeting was adjourned to reconvene at 10:00 a.m. on Tuesday, March 6, to receive additional testimony. During the proceedings one recess was taken at 11:20 a.m. to enable Members to respond to a roll call vote on the House Floor.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, March 1, 1979

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing

Subject: Federal Crop Insurance

Bill Nos. None

The Conservation and Credit (Sub) Committee met in open Session at 9:40 a.m. o'clock, in Room 1302 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. Jones, Tenn., Chairman | Mr. Madigan | Mr. |
| Mr. Harkin | Mr. Hopkins | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Bob Cashdollar
Wayne Fletcher
Peggy Pecore
Jerry Jorgensen

Witnesses:

1. Mr. John Junior Armstrong, President, Kansas Farm Bureau, representing American Farm Bureau Federation, accompanied by:
   Mr. John Datt, Director AFBF, Washington, D. C. office
   Mr. Kirk Miller, Assistant Director AFBF, Washington, D.C. office

2. Mr. Reuben Johnson, National Farmers Union, Washington, D.C. accompanied by:
   Ms. Charlotte Garner, Texas Farmers Union, Seminole, Texas

3. Mr. Herman Propst, National Cotton Council, Washington, D.C.

4. Mr. Jim Billington, Chairman, Farmers Programs Committee, National Association of Wheat Growers, Altus, Oklahoma, accompanied by:
   Mr. Carl Schwensen, National Association of Wheat Growers, Washington, D.C. office

5. Mr. Charles Finson, Chairman, Agricultural Bankers Division, American Bankers Association, accompanied by:
   Mr. Bill Dabagh, General Legislative Counsel, ABA Washington, D.C. office

6. Mrs. Gwen Bulman, Cash Farms, Cowpens, South Carolina

7. Mr. Clarence Day, Billar, Arkansas

8. Mr. Frank Jones, Lexington, Mississippi

9. Mr. B. B. Haigler, National Association of Farmer-Elected Committeemen, Indian Falls, North Carolina

10. Mr. John Krabseth, President, Federal Crop Insurance Agents Association, Williston, North Dakota, accompanied by:
    Mr. Willard Michels, Plentywood, Montana.

11. Mr. Lyle Bauer, Harper, Kansas, President, National Association of Conservation Districts, accompanied by:
    Mr. Neal Sampson, Executive Vice President, National Association of Conservation Districts, Washington, D.C.

Mr. James Deal, Manager, Federal Crop Insurance Corporation, USDA was in the audience to answer any questions

Statements Filed:

Chairman Jones called the meeting to order for the purpose of hearing testimony from the witnesses in the order their names appear on page 2.

Congressman Harkin chaired the meeting from 9:45 to 10:00 a.m.

After all witnesses had presented their testimony, they were called to the witness table as a panel to answer questions from Members of the Subcommittee. During questioning of the witnesses, the Subcommittee recessed from 11:25 to 11:45 so that Members could answer a quorum call on the House Floor.

The meeting was adjourned at 11:55 a.m., to reconvene at 2:00 p.m. this date to hear further testimony on the subject of crop insurance.

Peggy L. Pecore

Peggy L. Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, March 1, 1979

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing

Subject: Federal Crop Insurance

Bill Nos. None

The Conservation and Credit (Sub) Committee met in open Session at 2:04 p.m. o'clock, in Room 1302 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. Jones, Tenn., Chairman | Mr. Madigan | Mr. |
| Mr. Glickman | Mr. Kelly | Mr. |
| Mr. Baldus | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr.

Witnesses:

1. Mr. Russell Miller, Minnesota Farmers Union, Maynard, Minnesota.

2. Mr. Sig Magnussen, Minnesota Farmers Union, Georgetown, Minnesota.

3. Mr. John Hankins, Keeling, Virginia

4. Mr. Tom Barlow, National Resources Defense Council, Washington, D.C.

5. Mr. E. C. "Smokey" Stokes,U.S. Chamber of Commerce, Washington, D.C., for Mr. Clarence Palmby, Vice President for Public Affairs, Continental Grain Company, and member, Board of Directors, U.S. Chamber of Commerce

Mr. James Deal, Manager, Federal Crop Insurance Corporations, USDA, was in the audience to answer any questions

Statements Filed:

1. Statement of Mr. T. K. McDowell, Route 1, Vernon Hill, Virginia 24597.

2. Statement of Mr. Edwin T. Conner, Route 1, Clover, Virginia 24534

3. Statement by Mr. Bill Moody, State FOrester of Alabama, representing National Association of State Foresters.

Thursday, March 1, 1979
Subcommittee on Conservation and Credit
Public Hearing - P.M.
Federal Crop Insurance

Acting Chairman Glickman called the meeting to order and recognized the witnesses in the order listed on page 2 for their prepared testimony.

Chairman Jones took the chair at 2:40 p.m.

After all witnesses had presented their testimony, they were called to the witness table as a panel to answer questions from Members of the Subcommittee.

Chairman Jones adjourned the meeting at 2:50 p.m., to reconvene subject to the call of the Chair.

Peggy Pecore

Peggy L. Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, March 6, 1979

(~~Sub~~) Committee Full

Meeting: Public Hearing

Subject: U.S. Sugar and Sweetener Policy

Bill Nos. H.R. 2172 and related bills

The Full (~~Sub~~) Committee

met in open Session at 10:00 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Wampler | Mr. |
| Mr. de la Garza | Mr. Findley | Mr. |
| Mr. Jones (Tenn.) | Mr. Symms | Mr. |
| Mr. Richmond | Mr. Johnson | Mr. |
| Mr. Baldus | Mr. Heckler | Mr. |
| Mr. Harkin | Mr. Jeffords | Mr. |
| Mr. Fithian | Mr. Kelly | Mr. |
| Mr. Panetta | Mr. Grassley | Mr. |
| Mr. Huckaby | Mr. Thomas | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Akaka | Mr. | Mr. |
| Mr. Whitley | Mr. | Mr. |
| Mr. Coelho | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Stenholm | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Susan Bell, Staff Assistant
Linda Miller, Staff Assistant
Bernie Brenner, Press Assistant
Gene Moos, Staff Analyst
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Subcommittee Staff Consultant
Gary Norton, Assistant Counsel

Witnesses:

1. Hon. Peter Peyser, Member of Congress from New York.

2. Hon. Baltasar Corrada, Delegate from Puerto Rico.

3. Mr. Horace D. Godfrey, Vice President, Florida Sugar Cane League and Washington representative, Texas-Rio Grande Valley Sugar Cane Growers Cooperative.

4. Mr. David C. Carter, President, U.S. Beet Sugar Association, Washington, D.C.

5. Mr. Kish Otsuka, farmer from Sedgwick, Colorado, and President, American Sugarbeet Growers Association.

6. Mr. Joe Tokunaga, President, Washington Sugar Beet Growers Association, from Moses Lake, Washington.

7. Mr. George Sinner, President, Red River Valley Sugarbeet Growers Association, Casselton, North Dakota.

8. Mr. Charles D. Shamel, President and Chief Executive Officer, American Crystal Sugar Company, Moorhead, Minnesota.

9. Mr. Robert H. Hughes, Director, Hawaiian Sugar Planters' Association.

   Acc. by: Mr. Rogert H. Sullivan, Vice President and Washington representative.

10. Mr. Robert C. Liebenow, President, Corn Refiners Association, Inc., Washington, D.C.

    Acc. by: Mr. Donald E. Nordlund, Chairman, A. E. Staley Manufacturing Company.

11. Mr. Herbert J. Waters, National Corn Growers Association, Des Moines, Iowa.

(Continued)

Statements Filed:

1. Mr. John H. Sharon, on behalf of the Mauritius Sugar Syndicate.

2. Supplemental Statement of Texas-New Mexico Sugar Beet Growers Association--Presented and filed by Bill J. Cleavinger, President, and James W. Witherspoon, Executive Secretary.

Tuesday, March 6, 1979
Full Committee
Public Hearing
U.S. Sugar and Sweetener Policy
H.R. 2172 and related bills

Witnesses Continued:

12. Mr. Gregg R. Potvin, President, United States Cane Sugar Refiners' Association, Washington, D.C.

13. Mr. Arnold Mayer, Director of Legislative Department, Amalgamated Meat Cutters and Butcher Workmen of North America (AFL-CIO), Washington, D.C.

14. Professor Scott C. Whitney, Counsel for the Royal Thai Government.

15. Mr. Reuben L.Johnson, Director of Legislative Services, National Farmers Union, Washington, D.C.

16. Mr. Malcolm Young, Executive Manager, California Beet Growers Association, Ltd. Stockton, California.

17. Mr. E. Linwood Tipton, Vice Chairman, Sugar Users Group, Washington, D.C.

    Acc. by: Mr. James V. Stanton, Counsel

18. Ms. Kathleen D. Sheekey, Legislative Director, Consumer Federation of America, Washington, D.C.

Acting Chairman de la Garza called the meeting to order and recognized the witnesses listed above for their prepared testimony on current U.S. sugar and sweetener policy. Following presentation of their statements, the witnesses were questioned by the Members of the Committee.

The following special introductions were made: Chairman Foley introduced Mr. Tokanaga; Mr. Johnson introduced Mr. Otsuka.

At 1:00 p.m. the meeting was adjourned to reconvene at 10:00 a.m. on Wednesday, March 7, to consider recommendations of the Budget Task Force on the fiscal year 1980 budget.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, March 7, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Recommendations of the Budget Task Force

Bill Nos.

The Full (~~Sub~~) Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Whitley | Mr. Wampler |
| Mr. de la Garza | Mr. Daschle | Mr. Sebelius |
| Mr. Jones (Tenn.) | Mr. Hance | Mr. Findley |
| Mr. Bowen | Mr. Anthony | Mr. Symms |
| Mr. Rose | Mr. Stenholm | Mr. Johnson |
| Mr. Richmond | Mr. | Mr. Madigan |
| Mr. Weaver | Mr. | Mr.s Heckler |
| Mr. Baldus | Mr. | Mr. Jeffords |
| Mr. Bedell | Mr. | Mr. Kelly |
| Mr. English | Mr. | Mr. Grassley |
| Mr. Fithian | Mr. | Mr. Coleman |
| Mr. Panetta | Mr. | Mr. Marlenee |
| Mr. Skelton | Mr. | Mr. Hopkins |
| Mr. Huckaby | Mr. | Mr. Thomas |
| Mr. Glickman | Mr. | |
| Mr. Akaka | Mr. | |

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Glenda Temple, Clerk
Jim Culver Staff Assistant
Gary Norton, Assistant Counsel
Bernie Brenner, Press Assistant
John Kramer, Special Counsel
Steve Adams, Staff Assistant
Carol Dubard, Staff Assistant

Witnesses:

Dr. Francis Mulhern, Administrator, Animal and Plant Health Inspection Service, USDA, responded to questions concerning the programs under the jurisdiction of his agency.

Statements Filed:

None

Wednesday, March 7, 1979
Full Committee
Business Meeting
Recommendations of the Budget
Task Force

Action Taken:

-- By show of hands vote of 8 yeas-11 nays Glickman amendment on competitive research grants not agreed to.

-- Daschle amendment on gasohol approved by voice vote.

-- Without objection, Kelly footnote on sugar cane smut research approved.

-- Marlenee amendment covering leafy spurge approved by a voice vote.

-- By voice vote Coleman amendment to brucellosis eradication program not agreed to.

-- By show of hands vote of 2 yeas-7 nays Kelly amendment to other contagious animal products program and animal quarantine program not approved.

-- Baldus footnote on employee level in cooperative research agreed to.

Acting Chairman de la Garza called the meeting to order for the purpose of receiving recommendations of the Budget Task Force for consideration by the full Committee. Counsel Bor was recognized to explain the recommendations on budget ceilings for programs under the jurisdiction of the House Committee on Agriculture.

Discussion occurred on the attached summaries as well as the detailed budget table (see Committee files for table). Mr. Jeffords confirmed that his bill on farm land preservation was included in the list of possible legislation which may be enacted and have budgetary impact on the fiscal year 1980 budget.

There were no questions on the funds for the departmental staff offices programs. Discussion occurred on the authority for the Science and Education Administration.

Mr. Glickman offered an amendment on page 4 of the detailed budget table to reduce the Task Force recommendation of $21 million

to $17,500 million for competitive research grants. Discussion occurred and by a show of hands vote of 8 yeas-11 nays the amendment was not agreed to.

Mr. Daschle asked for information on the so-called gasohol research program. Discussion occurred and Mr. Daschle moved to amend the detailed budget table on page 4 by adding an additional $500,000 to the grants for industrial hydrocarbon research. Discussion continued and by a voice vote the Daschle amendment was agreed to. Without objection staff was given permission to insert the funds at the appropriate place.

Mr. Kelly advised that he would like to add $357,000 to the budget to deal with sugar cane smut research. He was advised that funds were already present on page 3 of the detailed budget table under the program for research on plant production. Mr. Kelly asked unanimous consent that a footnote be added to cover the item and there was no objection.

Discussion occurred on the Animal and Plant Health Inspection Service budget. Mr. Marlenee moved to restore the budget for noxious weeds to the 1979 budget authority of $750,000 by adding $550,000 to the Task Force recommendation to cover control of leafy spurge which is spreading over rangelands. Discussion occurred and by a voice vote the amendment was agreed to.

Mr. Coleman questioned the representative of the Animal and Plant Health Inspection Service concerning brucellosis. Mr. Coleman moved to add $10 million to the brucellosis eradication program and discussion occurred. By a voice vote the Coleman amendment was not agreed to.

Mr. Kelly moved to amend the detailed budget table by adding $1.325 million to the 1980 request for control of other contagious animal products program and $634,000 to the animal quarantine program. Discussion occurred and by a show of hands vote of 2 yeas-7 nays the Kelly amendment was not agreed to.

Mr. Baldus expressed concern on the level of employees on cooperative research under the Economics, Statistics, and Cooperatives Services budget. He asked the staff to make a footnote for the Appropriations Committee and there was no objection.

47-987 O - 79 - 7

Wednesday, March 7, 1979
Full Committee
Business Meeting
Recommendations of the Budget
Task Force

There were no questions on the budgets for the World Food and Agricultural Outlook and Situation Board; Foreign Agricultural Service; Office of International Cooperation and Development; and Foreign Assistance Programs budgets and the sections were considered approved as reflected on the attached chart.

At 12:05 p.m. the meeting was adjourned to reconvene at 10:00 a.m. on Thursday, February 8, to continue consideration of budget recommendations.

Glenda Temple

SUMMARY OF FY 78 AND 79 BUDGET FOR PROGRAMS UNDER THE COMMITTEE'S JURISDICTION WITH THE PRESIDENT'S REQUEST FOR FY 80 AND THE BUDGET TASK FORCE'S RECOMMENDATIONS

(Dollars in thousands; BA = budget authority; O = outlays; N/C = no change)

| USDA Programs | | FY 78 | FY 79 | Pres. Req. FY 80 | Task Force FY 80 | Task Force Pres. Req. (Net Chang |
|---|---|---|---|---|---|---|
| Departmental Staff Offices | BA | 59,741 | 66,542 | 70,899 | 70,899 | N/C |
| | O | 47,997 | 65,284 | 69,632 | 69,632 | N/C |
| Science and Education Administration | BA | 766,847 | 850,957 | 799,251 | 869,916 | + 70,665 |
| | O | 713,496 | 752,695 | 734,135 | 795,228 | + 61,093 |
| Animal and Plant Health Inspection Service | BA | 209,462 | 240,602 | 224,635 | 224,835 | + 200 |
| | O | 200,778 | 240,820 | 202,505 | 202,705 | + 200 |
| Economics, Statistics, and Coop. Service | BA | 77,271 | 83,179 | 88,004 | 88,004 | N/C |
| | O | 74,199 | 82,848 | 87,658 | 87,658 | N/C |
| World Food and Agricultural Outlook and Situation Board | BA | 1,005 | 1,049 | 1,045 | 1,045 | N/C |
| | O | 396 | 1,131 | 995 | 995 | N/C |
| Foreign Agricultural Service | BA | 46,559 | 53,967 | 54,929 | 54,929 | N/C |
| | O | 44,120 | 52,367 | 54,340 | 54,340 | N/C |
| Office of International Cooperation and Development | BA | 505 | 5,947 | 8,511 | 8,511 | N/C |
| | O | - 136 | 6,987 | 8,511 | 8,511 | N/C |
| Foreign Assistance Programs (PL 480) | BA | 922,885 | 805,900 | 719,476 | 719,476 | N/C |
| | O | 922,885 | 805,900 | 719,476 | 719,476 | N/C |
| Agricultural Stabilization and Conservation Service | BA | 513,636 | 455,767 | 345,986 | 483,986 | + 138,000 |
| | O | 522,453 | 512,692 | 354,115 | 426,815 | + 72,700 |
| Federal Crop Insurance | BA | 61,986 | 12,000 | 12,000 | 12,000 | N/C |
| | O | 57,436 | 21,496 | 20,126 | 20,126 | N/C |
| Commodity Credit Corporation | BA | 534,770 | 6,523,938 | 3,095,651 | 3,095,651 | N/C |
| | O | 5,541,739 | 5,025,433 | *2,906,971 | *2,906,971 | N/C |
| Farmers Home Administration | BA | 1,474,946 | 1,132,456 | 877,721 | 903,721 | + 26,000 |
| | O | 1,170,110 | 282,297 | 660,955 | 669,655 | + 8,700 |
| Soil Conservation Service | BA | 603,391 | 508,272 | 548,103 | 593,992 | + 45,889 |
| | O | 499,486 | 633,539 | 525,648 | 557,154 | + 31,506 |
| Federal Grain Inspection Service | BA | 17,460 | 22,680 | 23,372 | 23,372 | N/C |
| | O | 11,273 | 24,355 | 25,047 | 25,047 | N/C |
| Agricultural Marketing Service | BA | 47,911 | 51,275 | 52,528 | 52,528 | N/C |
| | O | 46,158 | 52,640 | 52,637 | 52,637 | N/C |
| Food Quality and Safety Service | BA | 321,016 | 337,713 | 333,703 | 333,703 | N/C |
| | O | 312,093 | 337,556 | 331,823 | 331,823 | N/C |
| Food and Nutrition Service | BA | 5,693,221 | 6,121,761 | 7,035,915 | 6,297,995 to 7,035,915 | - 737,920 to 0 |
| | O | 5,570,780 | 6,428,768 | 6,985,818 | 6,248,218 to 6,985,818 | - 737,600 to 0 |
| Forest Service | BA | 1,864,452 | 2,006,362 | 1,776,998 | 1,957,898 | + 180,900 |
| | O | 1,503,734 | 1,823,507 | 1,648,703 | 1,805,529 | + 156,826 |
| ** TOTAL USDA PROGRAMS | BA | 13,217,064 | 19,280,367 | 16,068,727 | 15,792,461 to 16,530,381 | - 276,266 to + 461,654 |
| | O | 17,238,997 | 17,150,315 | 15,389,095 | 14,983.330 to 15,720,930 | - 405,765 to + 331,835 |

* Includes $79,368,000 for new crop insurance legislation inadvertently omitted from the Task Force materials.

** Includes only those USDA programs under the Committee's jurisdiction.

ANNEXED BUDGETS

| USDA Programs | | FY 78 | FY 79 | Pres. Req. FY 80 | Task Force FY 80 | Task Force-Pres. Req. (Net Change |
|---|---|---|---|---|---|---|
| Rural Electrification Administration | BA | 513,813 | 181,856 | 175,318 | 175,318 | N/C |
| | O | 190,063 | 149,605 | 169,060 | 169,060 | N/C |
| Environmental Protection Agency | BA | 49,127 | 68,469 | 62,250 | 62,250 | N/C |
| | O | 41,347 | 57,900 | 58,600 | 58,600 | N/C |
| Farm Credit Administration | BA | 0 | 0 | 0 | 0 | N/C |
| | O | - 560 | 144 | 0 | 0 | N/C |
| Commodity Futures Trading Commission | BA | 13,950 | 15,836 | 16,366 | 16,366 | N/C |
| | O | 13,943 | 15,836 | 16,366 | 16,366 | N/C |

(Revised - 3/7/79)

POSSIBLE LEGISLATIVE INITIATIVES OF THE COMMITTEE ON AGRICULTURE
INCLUDED IN BUDGET RECOMMENDATIONS OF THE BUDGET TASK FORCE

| | | FY 1980 Budget Authority | FY 1980 Outlays |
|---|---|---|---|
| 1. | Sugar legislation * | | |
| 2. | (a) Extension of the Disaster Programs for FY 1980 | | $485,900,000 |
| | (b) New Crop Insurance legislation (start-up costs only--legislation to be effective after FY 1980) | 0 | $ 79,368,000 |
| 3. | Revision of the cap on appropriations for the Food Stamp Program | Range of $6.188 billion to $6.927 billion** | Range of $6.139 billion to $6.877 billion** |
| 4. | Dairy legislation extending minimum level of support at 80 percent of parity | 0 | $145,000,000 |
| 5. | Extension of F.I.F.R.A. through FY 1980 | $ 62,250,000 | $ 58,600,000 |
| 6. | Extension of small farm research extension program under Title V of the Rural Development Act through FY 1980 | $ 2,500,000 | $ 1,500,000 |
| 7. | International Emergency Wheat Reserve | 0 | $312,000,000 |
| 8. | Lending authorizations for FY 1980 for FmHA under the Consolidated Farm and Rural Development Act | 0 | 0 |
| 9. | Farmer-to-Consumer Direct Marketing Act | $ 2,000,000 | $ 1,732,000 |
| 10. | Land Preservation | $ 17,000,000 | $ 7,000,000 |

* Budget information not available at time of Budget Task Force action.

** Represents the range between the cap contained in the Food and Agriculture Act of 1977 and the figure requested by the Administration. The exact amount will be dependent on legislation to be adopted by the Congress.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, March 8, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Recommendations of Budget Task Force

Bill Nos.

The Full (Sub) Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Coelho | Mr. Wampler |
| Mr. de la Garza | Mr. Daschle | Mr. Sebelius |
| Mr. Jones (Tenn.) | Mr. Anthony | Mr. Findley |
| Mr. Mathis | Mr. Stenholm | Mr. Symms |
| Mr. Bowen | Mr. | Mr. Madigan |
| Mr. Richmond | Mr. | Mr. Jeffords |
| Mr. Weaver | Mr. | Mr. Kelly |
| Mr. Baldus | Mr. | Mr. Grassley |
| Mr. Harkin | Mr. | Mr. Coleman |
| Mr. English | Mr. | Mr. Marlenee |
| Mr. Fithian | Mr. | Mr. Hopkins |
| Mr. Panetta | Mr. | Mr. Thomas |
| Mr. Skelton | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Akaka | Mr. | |
| Mr. Whitley | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
John Kramer, Special Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Steve Adams, Staff Assistant
Carol Dubard, Staff Assistant
James A. Culver, Staff Assistant
Mary Jarratt,Staff Assistant

Witnesses:

Walter Ferguson, Confidential Assistant to the Administrator, Agricultural Stabilization and Conservation Service, USDA, responded to questions concerning the programs under the jurisdiction of ASCS.

Statements Filed:

None

Thursday, March 8, 1979
Full Committee
Business Meeting
Recommendations of Budget Task Force

Action Taken:

-- By show of hands vote of 2 yeas-15 nays Panetta amendment to agricultural conservation program not agreed to.

-- Without objection, Marlenee amendment to water bank program withdrawn.

-- Baldus amendment to beekeeper indemnity program approved by unanimous voice vote.

-- By roll call vote of 16 yeas-18 nays Coleman amendment to food stamp program not agreed to.

-- Weaver amendment on forestry research agreed to by a voice vote.

-- By a unanimous voice vote Panetta motion to adopt the budget proposals and recommend them to the Budget Committee approved.

Acting Chairman de la Garza called the meeting to order to continue consideration of the Committee's recommendations to the Budget Committee on programs under the jurisdiction of the House Committee on Agriculture (see minutes of March 7 for action and charts).

Mr. Panetta moved to amend the budget for the Agricultural Stabilization and Conservation Service by cutting the recommendation of the Budget Task Force of $250 million back to the 1979 figure of $190 million for agricultural conservation programs (page 14 of the detailed budget table). Discussion occurred and by a show of hands vote of 2 yeas-15 nays the amendment was not agreed to.

Mr. Marlenee moved to amend the water bank program by deleting the $8 million budgeted and discussion occurred. Without objection the Marlenee amendment was withdrawn.

Mr. Baldus moved to amend the ASCS budget recommendation by adding $4,890,000 to the beekeeper indemnity payment program (page 15 of the detailed budget table). Discussion occurred and by a unanimous voice vote the amendment was agreed to.

Thursday, March 8, 1979
Full Committee
Business Meeting
Recommendations of Budget Task Force

There were no questions on the Federal Crop Insurance program. The Committee discussed the Commodity Credit Corporation budget and Mr. Glickman clarified that a footnote would be added due to possible legislation.

Staff explained the budgets for the Soil Conservation Service, Federal Grain Inspection Service, Agricultural Marketing Service, and the Food Quality and Safety Service.

Discussion occurred on the Food and Nutrition Service budget. Mr. Coleman offered the attached amendment to strike the upper limit of the range and keep the cap of the present law in the budget. Discussion occurred (see attached charts) and by a show of hands vote of 12 yeas-13 nays the amendment was not agreed to. Mr. Coleman requested a recorded vote and the Clerk was directed to call the roll. The vote follows:

Y E A S

1. Mr. Skelton
2. Mr. Anthony
3. Mr. Stenholm
4. Mr. Wampler
5. Mr. Sebelius
6. Mr. Findley
7. Mr. Johnson (proxy to Mr. Wampler)
8. Mr. Madigan (proxy to Mr. Wampler)
9. Mr. Kelly
10. Mr. Grassley
11. Mr. Coleman
12. Mr. Marlenee
13. Mr. Hopkins
14. Mr. Thomas
15. Mr. Hagedorn (proxy to Mr. Wampler)
16. Mr. Symms

N A Y S

1. Mr. de la Garza
2. Mr. Jones (N.C.) (proxy to Mr. de la Garza)
3. Mr. Jones (Tenn.)
4. Mr. Mathis
5. Mr. Rose (proxy to Mr. de la Garza)
6. Mr. Richmond
7. Mr. Nolan (proxy to Mr. Richmond)
8. Mr. Weaver (proxy to Mr. Richmond)
9. Mr. Baldus
10. Mr. Harkin
11. Mr. English
12. Mr. Panetta
13. Mr. Glickman
14. Mr. Akaka
15. Mr. Coelho
16. Mr. Daschle
17. Mr. Jeffords
18. Mr. Foley (proxy to Mr. de la Garza)

Thus, by a roll call vote of 16 yeas-18 nays the Coleman amendment was not agreed to.

Thursday, March 8, 1979
Full Committee
Business Meeting
Recommendations of Budget Task Force

Staff explained the provisions of the budgets for the Forest Service and the annexed budgets. Mr. Hopkins asked unanimous consent to return to the budget of the Commodity Credit Corporation and there was no objection. He discussed tobacco research and Mr. Wampler advised that he felt there was sufficient flexibility for tobacco research to be covered if the Administration would use it.

Discussion occurred on the Forest Service budget. Mr. Weaver moved to restore $10 million for forestry research (page 31). Discussion continued and by a voice vote the Weaver motion was agreed to.

Counsel explained the chart on legislative proposals which would impact on the budget.

Mr. Panetta moved that the Committee adopt the budget proposals before it and recommend them to the Budget Committee. By a voice vote the motion was agreed to.

Staff was directed to make necessary corrections to reflect the action of the Committee. Mr. Wampler asked that Members be given the customary time to file any additional views and there was no objection.

At 11:50 a.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

Coleman Amendment

BUDGETARY RECOMMENDATIONS FOR THE FOOD STAMP PROGRAM

Poor program administration and weak accountability are responsible for almost a billion dollars or more of current food stamp program costs.

The President's FY 1980 budget proposes to lift the Congressionally-mandated ceiling on funding rather than attack the real problems in the program.

If one takes just the midpoint of estimated savings by CBO for the following three items, at least $650 million can be recovered:

| | Midpoint of CBO Estimated Savings * |
|---|---|
| 1. Retrieval of Benefits Issued in Error | $350 million |
| (GAO in 1977 charged that losses of more than $500 million annually occurred because of overissued benefits caused by errors, misrepresentations and suspected fraud by recipients and by errors of local food stamp offices. Current program error rate is 12%, meaning that approximately $700 million is issued in error.) | |
| 2. Recoupment | $150 million |
| (Discussed during consideration of the 1977 legislation — would require that recipients whose adjusted (tax) gross income exceeds twice the applicable poverty level in a calendar year pay back the excess. CBO estimates savings potential of $124-162 million.) | |
| 3. Program Overlap | $150 million |
| (CBO estimates that the calculation of food stamp benefits with the inclusion of other domestic food assistance benefits would save $100 - $200 million. | |
| Total Savings | $650 million |

With savings of this magniture the food stamp appropriation need not be increased.

* These estimates do not reflect inclusion of administrative costs.

NOTE ON THE CAP AND ITS IMPACT

The appropriation ceiling for fiscal 1980 is $6,188,600,000. This figure was derived by Congressman Mathis, who added ten percent (for inflation and/or unemployment) to the June 1977 Committee staff estimate of program costs for October, 1979-September, 1980. That ten percent became only 8.5 percent as a consequence of cost items added to the program in conference in July, 1977 by the Senate.

The primary reason that program costs are expected to exceed the cap by approximately $688 million or 11 percent is that the Committee staff's estimates of food price inflation (derived from February, 1977 projections by CBO) were 18.7 percent too low, and will probably prove ultimately to be off by over 20 percent.

If the cap were to remain in effect, average benefits would have to be reduced 18.6 percent per recipient as of October of this year ($1.37 billion) or else, if changes were delayed until July, 1980, by 76 percent to $9.50 per person per month or 10 cents a meal. Without such reductions, no funds at all for food stamps would be available as of approximately August 1, 1980.

## I. FOOD STAMP PROGRAM
## (Program Level)

Data for December, 1978 (the most recent month for which data is available) indicate that the program has 16.066 million recipients receiving an average monthly bonus of $28.79 per person.

| | FY '77 (Actual) | FY '78 (Prelimin.) | FY '79 CBO | FY '79 Admin. | FY '80 CBO | FY '80 Admin. | |
|---|---|---|---|---|---|---|---|
| Average Monthly Participation (in millions) | 17.1 | 16.0 | 15.5 | 16.5 | 16.6 | 17.4 | (1) |
| Average Monthly Bonus Per Person | $24.55 | $26.83 | $30.80 | $29.87 | $35.52 | $31.10 | (2) |
| Bonus Cost (in millions) | $5,038 | $5,165 | $5,729 | $5,914 | $7,076 | $6,481 | (3) |
| Federal Administrative Cost (in millions) | 390 | 381 | 434 | 437 | 483 | 446 | (4) |
| Total Program Cost (in millions) | $5,428 | $5,546 | $6,163 | $6,353 | $7,559 | $6,927 | |

(1) The difference between CBO and the Administration in estimating average monthly participation in fiscal 1980 (CBO's estimate is 800,000 persons less than the President's) stems from their differing assessments of the impact of the 1977 Food Stamp Act during the present fiscal year. CBO projects a drop in participation of 500,000 this fiscal year (from 1978's actual 16.0 to 15.5), even while claiming that 1.2 million new recipients will come onto the program because of EPR and 700,000 former recipients will be drpped because of the new restrictions on eligibility. The reason for this unusual conclusion is that CBO is using September, 1978's 15.3 million recipients as the EPR base, which is probably far too low a jumping-off point, particularly since there were 16.1 million recipients as of December before the full implementation of EPR. Using CBO's own base figures, the Administration seems to be closer to reality in projecting 16.6 million participants on the average. However, it should be noted that CBO was right on target in estimating 1978 participation at the last budget cycle, while the Administration was 1.7 million too high.

(2) The difference in the bonus figure between CBO and the Administration does not flow from any significant difference in projecting allotments (both assume $200 for a household of four in July, 1979 and $209 in January, 1980, while CBO is $1 over the Administration for July, 1980 at $217 versus $216). The distinction lies in CBO's assumption that EPR will primarily bring in the lowest income households with the largest bonuses. The President's calculations indicate that EPR will function on across-the-board basis, attracting more poor persons in the middle of the poverty bracket. Both CBO and the Administration were highly inaccurate in forecasting this year's allotments, with the Administration being by far the worse

of the two. For January, 1979, CBO had the allotment at $185 for four, the Administration at 181. In fact, it is $191. The July, 1979 figure now estimated at $200 was guessed in the 1978 budget figures to be $184 by the Administration (a 9% mistake) and $190 by CBO (only 5% off). Clearly, the Administration has a stake in low-balling food inflation. Indeed, the Administration's average fiscal 1979 bonus is only $1 more than the December, 1978 bonus, which did not encompass the major inflationary increases in food prices in 1978.

(3) This column reflects (1) multiplied by (2) by 12 months.

(4) Administrative costs reflect increasing costs to take care of an increased number of participants as well as inflation. Coupon printing and shipping costs will decline by a total of nearly $9 million, reflecting the impact of EPR, but certifying SSI recipients at Social Security offices will cost an extra $9.6 million and research, evaluation, and demonstration projects, including workfare, will require $7.4 million more.

II. FOOD STAMP PROGRAM
(Budget Authority and Outlays)
(all in millions)

| | FY '77 (Actual) | FY '78 (Actual) | FY '79 CBO | FY '79 Admin. | FY '80 CBO | FY '80 Admin. | |
|---|---|---|---|---|---|---|---|
| New Budget Authority (Appropriations) | $ 5,506 | $ 5,619 | $ 5,771 | $ 5,771 | $ 7,559 | $ 6,927 | |
| Carry-over | 163 | 267 | 338 | 338 | --- | --- | (1) |
| Supplemental | --- | --- | 54 | 245 | --- | --- | (2) |
| Total Funds Available | $ 5,669 | $ 5,885 | $ 6,163 | $ 6,354 | $ 7,559 | $ 6,927 | |
| Outlays | $ 5,399 | $ 5,499 | $ 6,135 | $ 6,321 | $ 7,495 | $ 6,877 | (3) |

(1) The fiscal 1979 carry-over, unexpended appropriations from prior fiscal year(s), does not count against the fiscal 1979 cap because it was not "appropriated" in fiscal 1979. No carry-over is anticipated for fiscal 1980.

(2) The lower CBO supplemental estimate appears to be unrealistic, but it is still too early to determine the full impact of EPR, which has been fully in effect nationwide for less than two months. The difference between CBO and the Administration reflects divergent participation projections (see note 1 to Table I), with the Administration assuming more rapid program growth.

(3) For fiscal 1980, both CBO and the Administration assume that the cap will be lifted. CBO's figures for outlays are $600 million over the Administration's, but $500 million of that results from less optimistic economic assumptions that the House Budget Committee is ignoring in its handling of the budget. CBO also believes (and properly so) that the Administration could not implement quality control legislation (if it passed) sufficiently quickly to save $100 million in fiscal 1980. CBO agrees that there could be such savings, but only beginning with fiscal 1981.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, March 14, 1979

xxxxx (Sub) Committee Full

Meeting: Business Meeting

Subject: International Sugar Stabilization Act

Bill Nos. H.R. 2172 and related bills

The Full (Sub) Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | | | | |
|---|---|---|---|---|---|
| Mr. | Foley | Mr. | Wampler | Mr. | |
| Mr. | de la Garza | Mr. | Sebelius | Mr. | |
| Mr. | Jones (Tenn.) | Mr. | Symms | Mr. | |
| Mr. | Weaver | Mr. | Johnson | Mr. | |
| Mr. | Baldus | Mr. | Grassley | Mr. | |
| Mr. | Akaka | Mr. | Hagedorn | Mr. | |
| Mr. | Daschle | Mr. | Coleman | Mr. | |
| Mr. | Hance | Mr. | Marlenee | Mr. | |
| Mr. | Stenholm | Mr. | Thomas | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | | |
| Mr. | | Mr. | | | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Glenda Temple, Clerk
Gary Norton, Assistant Counsel
Bernie Brenner, Press Assistant
Gene Moos, Staff Analyst
Linda Miller, Staff Assistant
Frank R. Samolis (Committee on Ways and Means)
William K. Vaughan (Committee on Ways and Means)

Witnesses:

None

Statements Filed:

None

Wednesday, March 14, 1979
Full Committee
Business Meeting
International Sugar Stabilization Act
H.R. 2172 and related bills

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Weaver
3. Mr. Akaka
4. Mr. Daschle
5. Mr. Hance
6. Mr. Stenholm
7. Mr. Sebelius
8. Mr. Johnson
9. Mr. Thomas
10. Mr. Foley
11. Mr. Jones (Tenn.)
12. Mr. Baldus
13. Mr. Grassley
14. Mr. Coleman

Fourteen Members having responded, a quorum was not established. Mr. de la Garza asked unanimous consent that the Committee proceed to discuss the legislation. There was objection.

Chairman Foley announced that pursuant to Committee Rules a one-third quorum would be in effect at the meeting scheduled for Thursday, March 15. The Chairman asked the Members to remain for an informal discussion of the provisions of H.R. 2172; whereupon at 10:15 a.m. the meeting was adjourned due to the lack of a quorum to reconvene at 10:00 a.m. on Thursday, March 15, to continue consideration of the International Sugar Stabilization Act.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, March 15, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: Sugar and Sweetener Policy

Bill Nos. H.R. 2172 and related bills

The Full ~~(Sub)~~ Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Akaka | Mr. Wampler |
| Mr. de la Garza | Mr. Whitley | Mr. Sebelius |
| Mr. Jones (Tenn.) | Mr. Coelho | Mr. Findley |
| Mr. Mathis | Mr. Daschle | Mr. Symms |
| Mr. Brown | Mr. Hance | Mr. Johnson |
| Mr. Richmond | Mr. Anthony | Mr. Heckler |
| Mr. Nolan | Mr. Stenholm | Mr. Jeffords |
| Mr. Baldus | Mr. | Mr. Kelly |
| Mr. Harkin | Mr. | Mr. Grassley |
| Mr. Bedell | Mr. | Mr. Hagedorn |
| Mr. English | Mr. | Mr. Coleman |
| Mr. Fithian | Mr. | Mr. Marlenee |
| Mr. Panetta | Mr. | Mr. Thomas |
| Mr. Skelton | Mr. | Mr. |
| Mr. Huckaby | Mr. | |
| Mr. Glickman | Mr. | |

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Glenda Temple, Clerk
Gene Moos, Staff Analyst
Gary Norton, Assistant Counsel
Linda Miller, Staff Assistant

From the Staff of the Ways and Means Committee:

Frank R. Samolis, Professional Assistant
William K. Vaughan, Jr., Professional Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to Member's questions:

1. Mr. William C. Moats, Staff Director, Interagency Working Group on Food and Agricultural Policy, USDA.

2. Mr. Jim Agnew, Agricultural Stabilization and Conservation Service, USDA.

The following spoke for the industry and responded to Member's questions:

1. Mr. Horace D. Godfrey, President, Godfrey Associates, Inc., Washington, D.C.

Statements Filed:

None

Thursday, March 15, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172, and related bills

Action Taken:

-- Without objection television filming permitted pursuant to Committee Rules.

-- Without objection, de la Garza motion to designate H.R. 2172 as markup vehicle agreed to.

-- Consideration of a number of technical amendments.

Chairman Foley called the meeting to order for the purpose of considering pending sugar legislation. The Clerk was directed to call the roll, and the following Members responded when their names were called:

1. Mr. Jones (Tenn.)
2. Mr. Baldus
3. Mr. Harkin
4. Mr. Bedell
5. Mr. Panetta
6. Mr. Huckaby
7. Mr. Glickman
8. Mr. Akaka
9. Mr. Whitley
10. Mr. Daschle
11. Mr. Hance
12. Mr. Stenholm
13. Mr. Wampler
14. Mr. Sebelius
15. Mr. Johnson
16. Mr. Grassley
17. Mr. Hagedorn
18. Mr. Thomas
19. Mr. Foley
20. Mr. de la Garza

Twenty Members having responded a one-third quorum was established pursuant to Committee Rules.

The Chairman advised that a television station had requested permission to file a part of the meeting and sufficient time was not allowed to poll the Members. There was no objection to the filming.

Mr. de la Garza moved that H.R. 2172, the International Sugar Stabilization Act of 1979, be considered as the markup vehicle and there was no objection.

Discussion occurred on the legislation. Counsel Bor presented a series of technical amendments which had been discussed with the Administration, the staff of the Ways and Means Committee and interested producer groups. The amendments were considered as follows:

> Page 2, immediately after line 2, insert the following:
> "(1) the term 'entered' means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States; and the term 'entry' means the entry, or withdrawal from warehouse, for such consumption."; and on lines 3, 6, 8, and 10, renumber paragraphs (1), (2), (3), and (4) as paragraphs (2), (3), (4), and (5), respectively.

Thursday, March 15, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172, and related bills

Discussion occurred and without objection the amendment was agreed to.

Page 2, delete lines 21 through 23, and on line 24 renumber paragraph (3) as paragraph (2).

Discussion occurred and without objection the amendment was agreed to.

Page 3, line 4, strike out "1983" and insert in lieu thereof "1982".

Discussion occurred and without objection the amendment was agreed to.

Page 4, at the end of line 6, insert "Such agencies or offices shall issue such regulations as they determine are necessary to implement this title."

Discussion occurred and without objection the amendment was agreed to.

Page 4, line 9, insert "knowingly" after "(1)".

Discussion occurred and without objection the amendment was agreed to.

Page 4, line 16, strike out "$1,000" and insert in lieu thereof "$2,000".

Discussion occurred and by a show of hands vote of 4 yeas-15 nays the amendment was not approved.

Page 4, strike out lines 22 through 24, and page 5, strike out lines 1 and 2, and strike out "(3)" on line 3.

Discussion occurred and Mr. Foley offered a substitute amendment to retain the language as printed in the bill and add on page 4, line 20, "Unless otherwise published on a regular basis by an agency of the United States,".

Discussion continued and without objection the Foley substitute amendment was agreed to.

Page 5, strike out lines 18 through 22 and insert in lieu thereof the following:

"(2) The term 'average daily price for raw sugar imports' means the average for the applicable period of the daily domestic spot quotation or price for raw sugar reported by the New York Coffee and Sugar Exchange, C.I.F. duty paid basis, including fees, if any, imposed under the International Sugar Agreement, adjusted to exclude any special import duty imposed under this Act, at a United States port of entry north of Cape Hatteras: Provided, however, That if no such daily domestic

spot quotation or price is reported for any market day or days in the applicable period, the Secretary shall determine for each such market day for use in calculating such average daily market price for raw sugar which shall be the daily world price quoted by the International Sugar Organization for such market day (or if no such quotation is issued, an equivalent price determined by the Secretary), in United States cents per pound, F.O.B. and stowed Caribbean basis, in bulk, adjusted to a C.I.F. duty paid basis by adding estimated costs of delivery from Caribbean ports to U.S.ports north of Cape Hatteras, including freight, insurance, stevedoring, financing, weighing and sampling and import duties, including fees, if any, imposed under the International Sugar Agreement excluding any special import duty imposed under this Act."

Discussion occurred and Counsel advised that the Department did not insist on the amendment at this time so the amendment was passed over without prejudice.

Page 5, strike out lines 23 through 25, and page 6, strike out lines 1 and 2; and on page 6 renumber paragraphs (4) through (9) as (3) through (8).

Discussion occurred and without objection the amendment was agreed to.

Page 6, insert at the end of line 15 "The term 'raw sugar' means sugar to be further refined or improved in quality. The term 'refined sugar' means sugar not to be further refined or improved in quality."

Discussion occurred and without objection the amendment was agreed to.

Page 8, strike out lines 23 through 25, and page 9, strike out lines 1 through 6.

Discussion occurred and without objection the amendment was agreed to.

Page 9, line 7, strike out the balance of the sentence after "1979" and insert a period in lieu thereof.

Discussion occurred and the amendment was passed over without prejudice.

Page 9, line 12, strike out "1982" and insert in lieu thereof "1981".

Discussion occurred and without objection the amendment was agreed to.

Page 11, lines 13 and 14, strike out "sugar (including, but not limited to, refined sugar)" and insert in lieu thereof "raw sugar".

Discussion occurred and without objection the amendment was agreed to.

Page 11, line 20, insert at the end thereof "There is imposed on refined sugar entered during any supply year quarter such special import duty as the Secretary determines necessary to assure that the price objective for the year shall be achieved.".

Discussion occurred and without objection the amendment was agreed to.

Page 11, line 22, strike out "duty" and insert in lieu thereof "duties".

Discussion occurred and without objection the amendment was agreed to.

Page 11, line 23, insert after "duty" the phrase "on raw sugar".

Discussion occurred and without objection the amendment was agreed to.

Page 12, line 18, insert at the end thereof "The special import duty on refined sugar shall be adjusted appropriately at the time changes are made in the special import duty for raw sugar in such amount as necessary to assure that the price objective for the year is achieved.".

Discussion occurred and without objection the amendment was approved.

Page 12, insert immediately after line 18, the following:

"(3) Notwithstanding the foregoing provisions of this section, if at any time during the sugar supply year the Secretary determines that the special import duties provided for under paragraphs (1) and (2) will not assure that the price objective will be achieved on the average during the supply year, the Secretary shall determine the amount of such adjustments in the special import duties as are necessary to achieve such result.".

Discussion occurred and without objection the amendment was agreed to.

Page 12, line 19, redesignate paragraph (3) as paragraph (4).

Discussion occurred and without objection the amendment was agreed to.

Page 13, line 2, insert "market" after "3d".

Discussion occurred and without objection the amendment was approved.

Page 13, immediately after line 4, insert the following:

"(C) The Secretary shall announce any special import duty adjustment required to be made under paragraph (3), and shall certify such adjustment to the President before the close of the 3d market day after determining its amount.".

Discussion occurred and without objection the amendment was agreed to.

Page 16, line 6, strike out "10th" and insert in lieu thereof "5th".

Page 16, line 10, insert "market" after "5th".

The amendments were considered en bloc. Discussion occurred and without objection the amendments were approved.

Page 16, insert immediately after line 12:

"(3) Any special import duty adjustment certified to the President under section 203(a)(3) shall be proclaimed by the President not later than the close of the 5th market day after the adjustment determination is made by the Secretary.".

Discussion occurred and without objection the amendment was agreed to.

Page 16, strike out lines 15 through 24, and page 17, strike out lines 1 through 7, and insert in lieu thereof the following:

"(a) Imposition.--If the Secretary determines that during the first 6 months of any sugar supply year the weighted average of the average daily prices for raw sugar imports plus the special import duties which were in effect during such period have been less than the market price objective by more than .50 cents, or if the Secretary determines

after the first 6 months of any sugar supply year that the price objective for that year will not be achieved on an average basis by the special import duties in effect during that year, the Secretary shall certify to the President such quantitative restrictions on the total amount of sugar and sugar-containing products which may be entered during the balance of that sugar supply year as the Secretary determines to be necessary to achieve, in conjunction with the special import duties imposed during the supply year concerned, the price objective for the year on an average basis. Any quantitative restrictions certified to the President shall be proclaimed by the President not later than the close of the 5th market day after the determination of the Secretary together with a statement of factors which entered into the determination of the Secretary.

"(b) Review.--If any quantitative restrictions are in effect under this section, the Secretary shall review, from time to time, the effect of such restrictions and shall certify to the President such adjustments in the restrictions as the Secretary determines are required to achieve the relevant annual market price objective. The President shall proclaim the adjustments in quantitative restrictions as certified by the Secretary, not later than the close of the 5th market day after the determination of the Secretary with a statement of the factors which entered into such determination.".

Discussion occurred and the amendment was passed over without prejudice.

Page 17, strike out lines 12 through 17.

Without objection, the amendment was passed over without prejudice.

Page 19, line 16, strike out "sugar entered under this section" and insert in lieu thereof "an exportation within the meaning of this section".

Discussion occurred and without objection the amendment was agreed to.

Page 22, line 23, strike out "1982" and insert in lieu thereof "1981".

Without objection the amendment was agreed to.

Page 29, line 10, strike out "201(7)" and insert in lieu thereof "201(6)".

Discussion occurred and without objection the amendment was approved.

Thursday, March 15, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172, and related bills

Page 30, line 12, strike out "to effectuate the purposes of titles I and II" and insert in lieu thereof "regarding the manufacturing, marketing, transportation or industrial use of sugar and other sweeteners".

Page 30, lines 16 and 17, strike out "for the administration of titles I and II".

Page 31, line 4, insert "or misleading" after "false".

Discussion occurred on the preceding amendments and without objection they were passed over without prejudice.

Page 31, insert at the beginning of line 19 "(a) Price support until September 30, 1979.--".

Discussion occurred and without objection the amendment was agreed to.

Page 31, strike out lines 23 and 24, and insert in lieu thereof the following: "the Secretary to provide price support under title III of the Agricultural Act of 1949 on the 1979 crop of sugar beets and sugarcane after the date of enactment of this Act until September 30, 1979.

"(b) Price support beginning October 1, 1970.-- Effective beginning October 1, 1979, with respect to the 1979 through 1981 crops of sugar beets and sugarcane, section 201 of the Agricultural Act of 1949, as amended, is amended by--

"(1) striking out in the first sentence 'honey, and milk' and inserting in lieu thereof the following: 'honey, milk, sugar beets, and sugarcane'; and

"(2) adding at the end thereof a new subsection (f) as follows:

'(f) In order to assist in achieving the objectives of the International Sugar Stabilization Act of 1979, the price of each of the 1979 through 1981 crops of sugar beets and sugarcane, respectively, shall be supported through loans or purchases on the processed products thereof at such leve not less than 89 percent of the price objective for sugar for the applicable sugar supply year determined under that Act, as the Secretary determines will meet such objectives.'"

Discussion occurred and without objection the amendment was agreed to.

Thursday, March 15, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172, and related bills

Page 32, line 1, insert immediately before the first word "(b) Waiver of interest.--"

Page 32, line 2, strike out "principal or", and "or both".

Discussion occurred and without objection the preceding amendments were passed over without prejudice.

Page 32, immediately after line 9, insert the following:
"Sec. 406. Commodity Credit Corporation. The authority vested in the Secretary under this Act shall be administered through the Commodity Credit Corporation.".

Discussion occurred and without objection the amendment was agreed to.

At 12:08 p.m. the meeting was adjourned to reconvene at 10:00 a.m. on Tuesday, March 20, for further consideration of sugar legislation. Notice was given that the one-third quorum rule would still be in effect at that time.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Monday, March 19, 1979

(Sub) Committee Forests

Meeting: Public Hearing

Subject: Timber sales from Federal lands to small wood products concerns

Bill Nos. H.R. 2799

The Forests (Sub) Committee met in open Session at 10:00 o'clock, in Room 1302

The following Members were present:

| | | |
|---|---|---|
| Mr. Weaver | Mr. | Mr. |
| Mr. Johnson | Mr. | Mr. |
| Mr. Symms | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Glenda Temple, Clerk
Joe Rutledge, Subcommittee Staff Consultant
Rita DiSimone, Staff Assistant

Witnesses:

1. Mr. Robert F. McDermott, Acting Associate Administrator for Procurement Sales, Small Business Administration.

2. Mr. George M. Leonard, Timber Management Staff, U.S. Forest Service, USDA.

3. Mr. Roland Berg, Chief, Property Sales Assistance Division, Small Business Administration.

4. Mr. Thomas Leonard, Economic Specialist, Council on Wage and Price Stability.

Statements Filed:

None

Monday, March 19, 1979
Forests Subcommittee
Public Hearing
Timber sales from Federal lands to small wood products concerns
H.R. 2799

Chairman Weaver called the meeting to order and made a brief opening statement on the need to obtain technical information on sales of timber from the National Forests. The Members of the Subcommittee questioned the witnesses concerning these special sales and their impact on the economy and related industries and consumers of wood products.

During the proceedings, Chairman Weaver asked the witnesses to obtain information by region and submit it for the record.

At 11:45 a.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, March 20, 1979

(~~Sub~~) Committee Full

Meeting: Business Meeting

Subject: Sugar and Sweetener Policy

Bill Nos. H.R. 2172, and related bills

The Full ~~XXXX~~ (~~Sub~~) Committee met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Coelho | Mr. Wampler |
| Mr. de la Garza | Mr. Daschle | Mr. Sebelius |
| Mr. Jones (N.C.) | Mr. Hance | Mr. Symms |
| Mr. Brown | Mr. Anthony | Mr. Johnson |
| Mr. Bowen | Mr. Stenholm | Mr. Madigan |
| Mr. Nolan | Mr. | Mr. Heckler |
| Mr. Weaver | Mr. | Mr. Jeffords |
| Mr. Baldus | Mr. | Mr. Kelly |
| Mr. Bedell | Mr. | Mr. Grassley |
| Mr. English | Mr. | Mr. Hagedorn |
| Mr. Fithian | Mr. | Mr. Coleman |
| Mr. Panetta | Mr. | Mr. Marlenee |
| Mr. Huckaby | Mr. | Mr. Thomas |
| Mr. Glickman | Mr. | Mr. |
| Mr. Akaka | Mr. | |
| Mr. Whitley | Mr. | |

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Glenda Temple, Clerk
Linda Miller, Staff Assistant
Susan Bell, Staff Assistant

From the staff of the Ways and Means Committee:
William K. Vaughan, Jr.

Witnesses:

None

Statements Filed:

None

Tuesday, March 20, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172, and related bills

Action Taken:

-- By show of hands vote of 2 yeas-24 nays Bedell amendment on price objective to Johnson amendment not agreed to.

-- By show of hands vote of 3 yeas-23 nays Nolan amendment on labor provisions to Johnson amendment not agreed to.

-- By roll call vote of 16 yeas-24 nays Johnson amendment not approved.

Chairman Foley called the meeting to order for the purpose of further consideration of pending sugar legislation. The Clerk was directed to call the roll, and the following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. English
3. Mr. Fithian
4. Mr. Panetta
5. Mr. Akaka
6. Mr. Whitley
7. Mr. Daschle
8. Mr. Hance
9. Mr. Stenholm
10. Mr. Wampler
11. Mr. Sebelius
12. Mr. Johnson
13. Mr. Jeffords
14. Mr. Grassley
15. Mr. Hagedorn
16. Mr. Thomas
17. Mr. Foley
18. Mr. Baldus
19. Mr. Jones (N.C.)

Nineteen Members having responded a quorum was established pursuant to previous notice of one-third quorum under the Committee Rules.

Mr. Johnson offered the attached amendment setting the 1979 through 1981 price objectives at 16.5, 17.6, and 18.8 cents per pound, respectively. Attached also is a chart showing the differences in the Johnson amendment, H.R. 2172, and the Administration's proposal. Discussion occurred on the amendment.

Mr. Bedell offered an amendment whereby the price objectives for the 1979 through 1981 sugar supply years would be 16.3, 17.4 and 18.6 cents per pound, respectively. Discussion continued on the amendments. By a show of hands vote of 2 yeas-24 nays, the Bedell amendment to the Johnson amendment was not agreed to.

Mr. Nolan offered an amendment to the labor provisions of the Johnson amendment whereby the wage rate for 1980 would be raised from $3.50 to $3.60 per hour and for 1981 would be raised from $3.75 to $3.95 per hour. Discussion occurred on the amendment and by a show of hands vote of 3 yeas-23 nays the Nolan amendment was not agreed to.

Tuesday, March 20, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172, and related bills

Discussion continued on the Johnson amendment and by a show of hands vote of 12 yeas-13 nays the amendment was not agreed to. Mr. Symms requested a recorded vote and 8 Members sustained the request. The vote follows:

| | YEAS | |
|---|---|---|
| 1. | Mr. Nolan | 10. Mr. Jeffords (proxy to Mr. Wampler) |
| 2. | Mr. Bedell | 11. Mr. Grassley (proxy to Mr. Symms) |
| 3. | Mr. Daschle | 12. Mr. Hagedorn |
| 4. | Mr. Hance | 13. Mr. Coleman (proxy to Mr.Johnson) |
| 5. | Mr. Wampler | 14. Mr. Marlenee |
| 6. | Mr. Sebelius | 15. Mr. Thomas |
| 7. | Mr. Symms | 16. Mr. Hopkins (proxy to Mr. Johnson) |
| 8. | Mr. Johnson | |
| 9. | Mr. Madigan | |

| | NAYS | |
|---|---|---|
| 1. | Mr. de la Garza | 13. Mr. Kelly |
| 2. | Mr. Jones (N.C.) | 14. Mr. Foley |
| 3. | Mr. English | 15. Mr. Jones (Tenn.)(proxy to Mr. Foley) |
| 4. | Mr. Fithian | 16. Mr. Mathis (proxy to Mr. Foley) |
| 5. | Mr. Panetta | 17. Mr. Brown (proxy to Mr. Foley) |
| 6. | Mr. Glickman | 18. Mr. Bowen (proxy to Mr. Foley) |
| 7. | Mr. Akaka | 19. Mr. Richmond (proxy to Mr. de la Garza) |
| 8. | Mr. Whitley | 20. Mr. Weaver (proxy to Mr. Foley) |
| 9. | Mr. Coelho | 21. Mr. Baldus (proxy to Mr. Foley) |
| 10. | Mr. Anthony | 22. Mr. Skelton (proxy to Mr. Foley) |
| 11. | Mr. Stenholm | 23. Mr. Huckaby |
| 12. | Mrs. Heckler | 24. Mr. Harkin (See minutes of March 21) |

Thus, by a roll call vote of 16 yeas-24 nays the Johnson amendment was not agreed to.

Mr. Glickman offered the attached amendment to encourage hydrocarbon (alcohol) production. Discussion occurred on the amendment.

Mr. Foley suggested that after the word "derived" the words "in whole or in part" should be added. Discussion continued and Mr. Glickman asked unanimous consent to revise his amendment to add after the word "construction" the phrase ", modification, or conversion"; add after the word "derived" the phrase "at least in part" and after the word "sugar" in the 6th line, add "or corn". Reservations were made and discussion continued on the Glickman amendment. Chairman Foley asked Mr. Glickman to perfect his amendment for consideration at the next meeting, and at 11:55 a.m. the meeting was adjourned to reconvene on Wednesday, March 21, at 10:00 a.m. for further consideration of legislation affecting sugar and sweetener policy. The Chairman announced that a one-third quorum would be in effect for the meeting.

Glenda Temple

March 20, 1979

AMENDMENT OFFERED BY MR. JOHNSON

1. Strike all from page 5, line 23, through page 12, line 3 (Sections 201 and 202), and insert:

SEC. 201. Definitions.

For purposes of this title--

(1) The phrase "average daily price for United States raw sugar imports" means the average of the daily market prices (excluding any special import duty imposed under this title) for sugar in pounds, raw value, as determined by the Secretary.

(2) The term "price objective" means the price set forth in, or determined under, section 202(a).

(3) The term "quantitative restriction" means the total quantity of any sugar or sugar-containing product produced in all foreign countries, territories, or areas that may be entered, without regard to source, in any sugar supply year or supply year quarter.

(4) The term "raw value" has the same meaning as is given to such term in headnote 1 to subpart A of part 10 of schedule 1 of the TSUS.

(5) The term "sugar" means any sugar, sirup, and molasses provided for in items 155.20 and 155.30 of the TSUS. The term "raw sugar" means sugar to be further refined or improved in quality. The term "refined sugar" means sugar not to be further refined or improved in quality.

(6) The term "sugar supply year" means the 12-month period beginning on October 1 of each calendar year with each such year being designated by the year in which the beginning date occurs.

(7) The term "supply year quarter" means any of the 3-month periods beginning on October 1, January 1, April 1, or July 1 of any sugar supply year.

SEC. 202. Price Objectives and Average Daily Price

(a) Price Objectives.--(1) The price objective for the 1978 sugar supply year is 15.8 cents per pound, raw value.

(2) The price objecitves for the 1979 through 1981 sugar supply years are 16.5, 17.6, and 18.8 cents per pound, respectively, raw value.

(b) Payments--During sugar supply years 1978 through 1981, the Secretary may not make payments to, or on behalf of, producers and processors of sugarcane or sugar beets under section 301 of the Agricultural Act of 1949 (7 U.S.C. 1447) or any other provision of law that authorizes payments by the Secretary to achieve price support levels for such commodities.

(c) Average Daily Prices.--(1) The Secretary shall determine on a continuing basis the average daily price for United States raw sugar imports and shall monitor the prices of sugar and sugar-containing products in the import trade of the United States.

(2) The Secretary shall publish the determinations made under paragraph (1) in the Federal Register on such periodic basis as he deems appropriate.

2. Page 25, immediately after line 1, strike the existing table and insert in lieu thereof the following:

| Sugar Supply Year | All areas except Hawaii and Puerto Rico: | Hawaii and Puerto Rico: |
|---|---|---|
| 1978 | $3.00 | As required by labor union agreement or Federal or local law. |
| 1979 | 3.30 | |
| 1980 | 3.50 | |
| 1981 | 3.75 | |

3. Page 25, strike the sentence commencing at the end of line 21 and continuing through line 6, page 26.

4. Page 30, line 24, strike the "(6)" and insert in lieu thereof "(5)".

5. Page 33, lines 10 and 11, strike the phrase "except as provided in section 202(b)(4) of this Act".

| | H.R. 2172 | Administration | Johnson Amendment |
|---|---|---|---|
| 1978 | - 15.25¢ price objective<br>- up to a .5¢ payment<br>- a loan interest waiver subsidy for loans on '77 and '78 sugar<br>- $3.00/hr. fieldworker wage<br>- carrying charges | - no change from present policy (14.73¢ loan rate; 15¢ price objective; $3.00 per hour fieldworker wage) | - 15.8¢ price objective<br>- no payment<br>- no loan interest waiver subsidy on '77 sugar<br>- $3.00/hr. fieldworker wage |
| 1979 | - price objective based on changes in cost of production, not to exceed 7% (15.25¢ to up to 16.3¢ 107 )<br>- up to a .5¢ payment<br>- $3.20/hr. fieldworker wage | - 15.8¢ price objective<br>- up to a .5¢ payment (max. return of 16.3¢)<br>- $3.30/hr. fieldworker wage | - 16.5¢ price objective<br>- no payment<br>- no loan interest waiver subsidy on '78 sugar<br>- $3.30/hr. fieldworker wage |
| 1980 | - price objective based on changes in cost of production, not to exceed 7% (15.25 - 16.3¢ whatever price objective was for '79 times up to 107% = ___¢)<br>- up to a .5¢ payment<br>- $3.40/hr. fieldworker wage | - price objective based on changes in cost of production, not to exceed 7% (15.8¢ times up to 107% = max. price objective of 16.9¢)<br>- up to a .5¢ payment (max. return of 17.4¢)<br>- $3.60/hr. fieldworker wage | - 17.6¢ price objective<br>- no payment<br>- $3.50/hr. fieldworker wage |
| 1981 | - price objective based on changes in cost of production, not to exceed 7% (1980 price objective of ___¢ times up to 107% = ___¢)<br>- up to a .5¢ payment<br>- $3.60/hr. fieldworker wage | - price objective based on changes in cost of production, not to exceed 7% (16.9¢ times up to 107% = max. price objective of 18¢)<br>- up to a .5¢ payment (max. return of 18.5¢)<br>- $3.95/hr. fieldworker wage | - 18.8¢ price objective<br>- no payment<br>- $3.75/hr. fieldworker wage |

DAN GLICKMAN
FOURTH DISTRICT—KANSAS

COMMITTEES:
AGRICULTURE
SCIENCE AND TECHNOLOGY

NATIONAL ALCOHOL FUELS COMMISSION

MYRNE ROE
ADMINISTRATIVE ASSISTANT
BILL BEACHY
EXECUTIVE ASSISTANT

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

[illegible] LONGWORTH BUILDING
WASHINGTON, D.C. 20515
(202) 225-6216

U.S. POST OFFICE AND COURT HOUSE
BOX 403—ROOM 224
WICHITA, KANSAS 67201
(316) 262-8396

407 WOLCOTT BUILDING
201 NORTH MAIN
HUTCHINSON, KANSAS 67501
(316) 669-9011

March 19, 1979

To: Members of the Agriculture Committee
From: Dan Glickman DG
Re: Proposed Amendment to H.R. 2172

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I will be offering an amendment to the International Sugar Stabilization Act during mark up this week to encourage the construction of facilities for hydrocarbon (alcohol) production from the commodities covered by the bill. Specifically, the amendment would authorize the Commodity Credit Corporation to provide loan guarantees from a fund of up to $25 million, but not in excess of revenues generated by the tariffs provided in the Act. That sum would permit the construction of several alcohol fuels plants.

Recent world events underscore the U.S.'s vulnerable position with respect to obtaining adequate fossil fuel supplies. We are still not pursuing alternative fuels aggressively enough despite the fact that oil imports gobble up the equivalent of 34% of our export income. My amendment would encourage what is already underway in Brazil -- facilities for alcohol for fuel production from sugar. The attached article from The Wall Street Journal details Brazil's success in moving ahead on alcohol production from its vast suger resource and the benefits in terms of reduced reliance on imported fuel.

My amendment also addresses the equally important problem of developing new uses and hence new markets for agricultural commodities. As members of the Agriculture Committee we are painfully aware of the effect that the current glut in many commodities has had in depressing prices. For sugar producers the situation has been particularly critical. At the same time, I am sure we all agree that the best answer--over the long term--is not increased government payments, but instead increased markets for our production. The loan guarantees my amendment would make available would set us on the road to vastly expanded utilization of sugar and the other commodities covered by the bill. That will benefit producers and the Nation as a whole.

THIS STATIONERY PRINTED ON PAPER MADE WITH RECYCLED FIBERS

A fact sheet outlining the benefits of my amendment is attached. I encourage you to review it and hope you will support the amendment when I bring it up before the Committee. Let me or my staff person, Cindie Moore, know if you have questions or would like any further information. My extension is 5-6216.

Enclosures: Fact Sheet
Article from The Wall Street Journal

Fact Sheet on Glickman Amendment to Authorize Loan Guarantees for Construction of Facilities for Hydrocarbon (Alcohol) Production from Sugar

Language of Amendment:

On Page 32, immediately after line 9, insert the following new section; "Section 406. Loan Guarantees for Construction of Facilities for Industrial Hydrocarbon Production.-The Commodity Credit Corporation is authorized to provide loan guarantees for construction of facilities for the production and marketing of industrial hydrocarbons derived from sugar and all other commodities covered in this Act from a guarantee fund of up to $25 million, but not to exceed the amount of special import duties collected, under authority of this Act, in each of the two fiscal years beginning October 1, 1979."

---

1. Amount of funds authorized by the amendment compared to the total amount of revenue to be raised through special import duties provided for in the bill. The projected amount of revenue collected from the special import duties is approximately $500 million (5,000,000 tons--1978 estimated quantity of sugar imported times $.05--estimated duty per pound to be paid by importers under provisions of bill). The amendment only authorizes a total amount of up to $25 million or 5% of total anticipated revenues.

2. Impact of amendment on U.S. Treasury. Because the construction of facilities for hydrocarbon production from sugar would increase the demand for sugar and, accordingly, raise its price, the effect of the amendment would be to lessen long-term pressure on the federal budget by eventually reducing the need for direct payments.

3. Multiplier effect of loan guarantees. In general, loan guarantees have a multiplier effect of 10. That is, every dollar of loan guarantees assures $10 in actual loans from the private sector. In the case of this amendment, the $25 million loan guarantee fund should provide backing for $250 million in loans from the private sector.

4. How this amendment relates to the Budget Act of 1974. Under Sec.401(c)(2)(C), the amendment would not be considered new spending authority in that it deals with loan guarantees.

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WALL STREET JOURNAL
JUL 12 1978 p. 1, 39

*Latin Drive*

# Brazil Spends Millions To Put Alcohol in Cars To Save on Oil Imports

## Nation Looks to New Fuel, Hydro and Atom Power To Help Revive Economy

## An Old Use for Sugar Cane

By Everett G. Martin
*Staff Reporter of The Wall Street Journal*

SAO PAULO, Brazil — There are 500 Volkswagen Beetles being driven by telephone repairmen around this city that are spreading the Brazilian government's energy message: Driving and alcohol can be mixed.

The alcohol, of course, isn't in the repairmen but in the tanks of their cars. It is 190-proof grain alcohol distilled from sugar cane. And the performance of the experimental cars is so encouraging that the government is plunging ahead with a multibillion-dollar program that it hopes will turn all the cars in the country into alcoholics by the end of the century.

Not only sugar cane but also a staple root crop called manioc (better known in the U.S. in a granular form called tapioca), as well as some more exotic plants, is being considered as raw material for the alcohol program. The distilleries that will be needed to turn these plants into alcohol could number as many as 320, which would involve an investment of as much as $1.8 billion by the early 1980s.

But Brazil apparently isn't disturbed by the size of this investment, any more than it is by the billions it is spending or planning to spend on developing hydroelectric power or a huge nuclear program. The reason is that Brazil is oil-poor: Its reserves would be sufficient to supply the country for just two years at the present rate of consumption of 950,000 barrels a day.

### A Crippling Payment

Brazil's oil-import bill now is running at over $4 billion a year, or 34.6% of the country's export income, an amount that is crippling the nation's growth rate. Thus, the prospect of being able to replace gasoline with a renewable fuel, alcohol, is spurring the Brazilians into some pioneering technology. "We'll be turning solar energy into liquid energy," one research scientist says.

The U.S., which is growing ever more dependent on imported oil (34% of U.S. export income now goes to pay for the oil bill), is closely watching Brazil's alcohol program. A number of Midwestern states are busily promoting the use of gasohol, a 10% mixture of alcohol with gasoline. The alcohol would be distilled from grain grown on idle farm land. A few gasoline stations in the Midwest will be pumping gasohol this summer. (See story on page 39.)

Here in Brazil, the oil bill has increased 11-fold in five years and has sharply deflated the country's economic growth. Before the first oil-price increase by the Organization of Petroleum Exporting Countries, Brazil's economy was averaging an annual growth rate of 11%, and the country was able to use its foreign exchange to import machinery and technology. But last year's growth rate was barely more than the population increase of 3.8% a year. With half the population of 115 million under the age of 20, Brazil can't afford many more years like that before job shortages bring social unrest.

There seems little hope of cutting down on oil imports through increased domestic production. In 1970, domestic output met 35% of Brazil's oil needs, but declining fields and rising needs reduced that figure to 18% last year. Petrobras, the national oil company, plans to drill 507 wells in the next five years at a cost of $1.3 billion. And the Brazilians have swallowed their national pride and have awarded offshore-exploration contracts to foreign oil companies. British Petroleum already has started drilling.

### Nuclear Controversy

The oil is needed not only for gasoline but also for running electricity-generating plants. That is why the Brazilians have embarked on their controversial nuclear program, which involves buying eight large reactors from West Germany by 1990 and training thousands of technicians. Much to Washington's dismay, the Germans also will supply a reprocessing plant to extract plutonium — the stuff of weaponry — from the spent nuclear fuel, thus saving Brazil on its nuclear-fuel bill.

Hydroelectric power, which now provides 21% of the country's energy needs, will continue to play an important role. By 1985, installed capacity in the southeast region near the industrial centers will have reached 35,000 megawatts. There is considerable potential in the Amazon Basin, but this vast region is far from major cities.

If these ambitious plans are met, the nation's oil imports will be sharply reduced. But the imports could be halved just by replacing gasoline with alcohol. The Brazilians believe that if they can produce enough alcohol to meet expected gasoline consumption of 7.9 million gallons in the mid-1980s, nearly a million new jobs could be created on farms — to grow the sugar cane or manioc — and in the distilleries. They also say that they can produce all of the needed machinery themselves.

Ironically, it is the high cost of imported oil that has made the alcohol program possible. In order to discourage consumption, the Brazilian government has imposed taxes that bring the cost of a gallon of gasoline to $1.64. This high cost makes alcohol a competitive fuel, even though it costs twice as much to produce as Middle East oil. Researchers believe that alcohol could be retailed for about $1.30 a gallon.

Actually, some Brazilians are old hands at using alcohol distilled from sugar cane in

# Latin Drive: Brazil Spends Millions To Put Alcohol in Cars and Save Oil

Continued From First Page

car cases. In some parts of the country it has been mixed with gasoline since the 1930s, and it was widely used during World War II. Over the years the amount of sugar cane diverted to alcohol production has fluctuated with the international price of sugar. At present, about 208 million gallons of alcohol a year are being produced.

The alcohol that is produced from the sugar cane is technically known as ethanol. The sugar ferments, and this mixture then travels through three heating towers to remove excess water and to reduce it to 95% alcohol.

Manioc is another promising source of ethanol, although the distilling technology is still being developed. One problem is that the plant is as much as 40% starch and thus can't be fermented without the introduction of an enzyme to turn the starch into sugar.

Sugar cane has an advantage over manioc in that the stalks can be used as a fuel, called bagasse, to supply the heat in the distilleries; manioc would require an outside heat source. On the other hand, sugar cane is a seasonal crop that needs careful cultivation and the use of fertilizers; manioc is a hardy plant that will grow in the poorest ground. Indeed, scientists say it would be an ideal crop for the 250 million acres of dry, nutrient-poor land in an area of central Brazil known as the Cerrados.

There had been fears until fairly recently that manioc would require so much energy to turn it into ethanol that it would consume more energy in the distilling process than would be provided by the ethanol. But Prof. Jose Goldemberg, head of the Institute of Physics at the University of Sao Paulo, now believes that the energy return will be 1.4 times the energy input. Ethanol from sugar cane yields 2.5 times the energy input, he says.

The first manioc distillery will begin operating this year, and Prof. Goldemberg is hoping that it will indicate the possibility of cost reductions. "We really haven't started serious research on improving distilling methods. I'm certain that new developments will bring costs down," he says.

The building of 170 sugar-cane distilleries has been approved by the government. Each distillery will cost an average of $1.5 million. Private investors will put up the distilleries with 80% government loans at a 17% annual interest rate (that compares with the present Brazilian inflation rate of 40%). The government also will provide 100% financing at 7% interest to develop new sugar-cane farms.

Then there's the problem of getting the ethanol from the distillery and into the car. Recent experiments have shown that the average automobile engine can run on a mixture of up to 20% ethanol and 80% gasoline without any modification. Cars in Sao Paulo are running on a 15% ethanol mixture and in Rio de Janeiro on a 10% mixture. The only noticeable difference, according to cabdrivers, is that spark plugs have to be cleaned more often.

Says Antonio Licio, a technical adviser to the minister of agriculture: "We originally intended to produce enough alcohol to provide a 20% mixture for all cars. But now mixing is only the first stage. We are going to go all the way."

The man who will be largely responsible for this is Urbano Stumpf, a scientist at the Aerospace Research Center at San Jose dos Campos, an hour's drive from Sao Paulo. It was Mr. Stumpf who in 1975 first persuaded the president of Brazil, Ernesto Geisel, to drive a car that had been modified to burn pure alcohol. President Geisel, who once headed Petrobras, was immediately impressed and committed the government to the support of the alcohol program.

Mr. Stumpf says that it costs about $350 to convert the Volkswagen Beetle engine to burn pure alcohol. His research complex also is working on the conversion of other engines sent in by manufacturers that will ultimately want to produce ethanol-burning engines.

First, Mr. Stumpf says, the compression ratio has to be increased, then the ignition timing has to be changed, and the blend of air and fuel in the carburetor has to be made richer. The alcohol has to be preheated before it enters the combustion chamber because it vaporizes at a higher temperature than gasoline. Mr. Stumpf does this by enclosing the intake manifold in a metal jacket through which he feeds hot water or hot air from the engine cooling system.

Alcohol-burning engines are like diesel engines in that they are harder to start in cold weather. So Mr. Stumpf has borrowed from the diesel and has installed a small electric heater that vaporizes alcohol within seconds after the ignition has been switched on.

Mr. Stumpf is enthusiastic when laymen visit his project. To indicate the lower levels of pollutants emitted by his modified alcohol engine, he asks each visitor to breathe deeply from the exhaust pipe. "Smells sweet, doesn't it?" he asks. "We could drive this car in California without any (pollution-control) changes."

Certainly, the alcohol engine has a lot of pep: It can go from a standing start in fourth gear without any knocking and can accelerate up steep hills without so much as a cough. That's because the ethanol has an octane rating of about 120, compared with 73 for regular gasoline in Brazil and with about 90 for regular unleaded gasoline in the U.S.

Mr. Stumpf also is looking at the possibility of using alcohol for diesel engines. This is particularly vital for Brazil because nearly three-fourths of the country's goods are hauled by truck. But although alcohol has already proved successful when mixed with 50% diesel oil, Mr. Stumpf believes that peanut oil might make a better fuel.

Other scientists in Brazil are looking at even more exotic replacements for petroleum. One is the babasu palm that grows wild in the Amazon Basin and that produces a nut yielding vegetable oil, animal feed and alcohol. Another potential source is the marmeleiro, a plant that grows wild in northeast Brazil.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, March 21, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Sugar and Sweetener Policy

Bill Nos. H.R. 2172, and related bills

The Full ~~XXXX~~ (Sub) Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | | | | |
|---|---|---|---|---|---|
| Mr. | Foley | Mr. | Whitley | Mr. | Wampler |
| Mr. | de la Garza | Mr. | Coelho | Mr. | Sebelius |
| Mr. | Jones (Tenn.) | Mr. | Daschle | Mr. | Findley |
| Mr. | Richmond | Mr. | Hance | Mr. | Symms |
| Mr. | Nolan | Mr. | Stenholm | Mr. | Johnson |
| Mr. | Weaver | Mr. | | Mrs. | Heckler |
| Mr. | Baldus | Mr. | | Mr. | Kelly |
| Mr. | Harkin | Mr. | | Mr. | Grassley |
| Mr. | Bedell | Mr. | | Mr. | Hagedorn |
| Mr. | English | Mr. | | Mr. | Coleman |
| Mr. | Fithian | Mr. | | Mr. | Hopkins |
| Mr. | Panetta | Mr. | | Mr. | Thomas |
| Mr. | Skelton | Mr. | | Mr. | |
| Mr. | Huckaby | Mr. | | Mr. | |
| Mr. | Glickman | Mr. | | | |
| Mr. | Akaka | Mr. | | | |

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Gary Norton, Assistant Counsel
Susan Bell, Staff Assistant
Linda Miller, Staff Assistant

From the staff of the Ways and Means Committee:
William K. Vaughan, Jr.

Witnesses:

None

Statements Filed:

None

Wednesday, March 21, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172, and related bills

Action Taken:

-- Without objection Bedell amendment withdrawn.

-- By voice vote Heckler amendment to Glickman amendment not agreed to.

-- By voice vote Kelly substitute amendment to Glickman amendment not approved.

-- By roll call vote of 27 yeas-7 nays Glickman amendment on hydrocarbon (alcohol) production agreed to.

-- Harkin unanimous consent request to be recorded on vote approved.

-- Grassley unanimous consent request to be recorded on vote approved.

Chairman Foley called the meeting to order for the purpose of continuing consideration of pending sugar legislation. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Bedell
3. Mr. English
4. Mr. Skelton
5. Mr. Glickman
6. Mr. Whitley
7. Mr. Wampler
8. Mr. Johnson
9. Mrs. Heckler
10. Mr. Kelly
11. Mr. Grassley
12. Mr. Hagedorn
13. Mr. Hopkins
14. Mr. Thomas
15. Mr. Foley
16. Mr. Baldus
17. Mr. Panetta
18. Mr. Stenholm
19. Mr. Coelho
20. Mr. Fithian

Twenty Members having responded a one-third quorum was established pursuant to previous notice under Committee Rules.

Mr. Glickman was recognized to continue discussing his pending amendment to encourage the construction of facilities for hydrocarbon (alcohol) production (see minutes of March 20). Without objection Mr. Glickman substituted the attached language and discussion occurred.

Mr. Bedell proposed to amend the Glickman amendment by adding the following: "The Secretary is authorized to release stocks of government-owned sugar at prices below the minimum levels otherwise required by law if the sugar is intended for use as feedstocks in alcohol fuels production and the Secretary has determined that there is little possibility of moving the stocks into traditional outlets at prices sufficient to allow the government to recover its costs sustained in acquisition and storage."

Wednesday, March 21, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172 and related bills

Attached is a memorandum describing the effect of the Bedell amendment. Discussion occurred and without objection the Bedell amendment was withdrawn.

Discussion continued and Mrs. Heckler moved to amend the Glickman amendment to include "forest products" after the words "derived therefrom" and before the phrase "or any other commodities covered under the Act". Chairman Foley suggested that she propose "all agricultural and forestry products". Mrs. Heckler had no objection and the Chairman suggested language reading "from sugar, sugar beets, and any by-product of corn or commodities covered under this Act, or other commodities of an agricultural or forestry nature".

Discussion continued and Mr. Kelly offered a substitute amendment to use the language of the Glickman amendment but to strike the words "covered under the Act".

Discussion occurred and by a voice vote the Heckler amendment to the Glickman amendment was not agreed to. By a voice vote the Kelly substitute amendment to the Glickman amendment was not approved. The question occurred on the Glickman amendment and by a show of hands vote of 13 yeas-6 nays the amendment was agreed to. Mr. Kelly requested a recorded vote and 6 Members sustained the request. The vote follows:

YEAS

1. Mr. Jones (Tenn.)
2. Mr. Richmond (proxy to Mr. Glickman)
3. Mr. Nolan
4. Mr. Baldus
5. Mr. Bedell
6. Mr. English
7. Mr. Fithian
8. Mr. Panetta
9. Mr. Huckaby
10. Mr. Glickman
11. Mr. Akaka
12. Mr. Coelho
13. Mr. Daschle
14. Mr. Hance
15. Mr. Sebelius
16. Mr. Findley
17. Mr. Foley
18. Mr. Brown (proxy to Mr. Foley)
19. Mr. Bowen (proxy to Mr. Foley)
20. Mr. Harkin (proxy to Mr. Foley)
21. Mr. Skelton
22. Mr. Whitley (proxy to Mr. Foley)
23. Mr. Anthony (proxy to Mr. Hance)
24. Mrs. Heckler
25. Mr. Jeffords (proxy to Mr. Wampler)
26. Mr. Weaver
27. Mr. Grassley

NAYS

1. Mr. de la Garza
2. Mr. Stenholm
3. Mr. Wampler
4. Mr. Johnson
5. Mr. Kelly
6. Mr. Hagedorn (proxy to Mr. Symms)
7. Mr. Symms

Thus, by a roll call vote of 27 yeas-7 nays the Glickman amendment was approved. Mr. Grassley was not present at the time the vote was taken, but his unanimous consent request during the meeting was agreed to.

Wednesday, March 21, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172 and related bills

Mr. de la Garza offered the attached amendment in an attempt to strike a compromise relative to the price objective and to the labor provisions. Discussion occurred on the amendment. Staff was directed to prepare a brief analysis of the de la Garza amendment for consideration at the next meeting.

Mr. Harkin asked unanimous consent that his vote be recorded as "no" on the Johnson amendment (see vote of March 20). The Chairman stated that he had Mr. Harkin's proxy at that time but was not sure how it should have been voted. There was no objection to the Harkin request.

At 11:58 a.m. the meeting was adjourned to reconvene at 10:00 a.m. on Thursday, March 22, for further consideration of pending sugar legislation.

Glenda Temple

GLICKMAN AMENDMENT March 21, 1979

Sec. 407. Loan Guarantees for Construction, Conversion, or Modification of Facilities for Industrial Hydrocarbon and Alcohols Production.

The Commodity Credit Corporation is authorized to provide loan guarantees for construction, conversion, or modification of facilities for the production and marketing of industrial hydrocarbons and alcohols derived at least in part from sugarcane, sugar beets, or any by-product derived therefrom, corn or any by-product derived therefrom, or any other commodities covered under the Act, from a guarantee fund of up to $25 million, but not to exceed the amount of special import duties collected, under authority of the Act, in each of the two fiscal years beginning October 1, 1979.

BERKLEY BEDELL
9TH DISTRICT IOWA

COMMITTEES
AGRICULTURE
SUBCOMMITTEES
LIVESTOCK AND GRAINS
FAMILY FARMS, RURAL DEVELOPMENT AND SPECIAL STUDIES
CONSERVATION AND CREDIT
SMALL BUSINESS
SUBCOMMITTEES:
ANTITRUST AND RESTRAINT OF TRADE ACTIVITIES AFFECTING SMALL BUSINESS

Congress of the United States
House of Representatives
Washington, D.C. 20515

WASHINGTON OFFICE
318 CANNON HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3476

DISTRICT OFFICES
479 FEDERAL BUILDING
FORT DODGE, IOWA 50501
(515) 573-7188

318 FEDERAL BUILDING
SIOUX CITY, IOWA 51101
(712) 252-4164 EXT. 281

March 20, 1979

TO: MEMBERS OF THE HOUSE AGRICULTURE COMMITTEE
FROM: BERKLEY BEDELL
RE: PROPOSED AMENDMENT TO HR 2172

---

I plan to offer an amendment to the International Sugar Stabilization Act this week that would give the Secretary of Agriculture an additional option for disposal of sugar that is already, or may be in the future, under CCC ownership. Many observers of the near- to mid-term sugar market project that the chances are that the government will never recover the full market value for the sugar which it has under its control due to the tremendous supply/demand imbalance, and that the government may very well end up disposing of its stocks by making it available for cattle feed. From a budgetary perspective alone, I believe that we should consider any other possible end uses that could be reasonably exploited.

Specifically, my amendment would direct the Secretary to make an assessment of the likelihood that the sugar stocks under his control can be disposed of at a price reasonably near the acquisition cost to the government. (This assessment should also take into account estimates of the storage costs that would be involved in holding the sugar for extended periods of time.) If this assessment were to conclude that the government would likely take a substantial loss by holding the stocks and attempting to find what are now regarded as traditional outletes for them, the Secretary is empowered to earmark the sugar specifically as feedstocks for alcohol fuels production and negotiate with the operators of domestic alcohol fuels facilities for the processing of the sugar into fuel grade alcohol. The language would allow the Secretary a great deal of latitude in determining the terms and method of implementation of such an arrangement. For instance, he could contract for the processing of the sugar with a production facility by calling for a mutually agreed upon price per gallon, with the payment being made either in the form of an equivalent amount of alcohol or direct payment. The Secretary could also either take the alcohol over for direct sale by the government, or he could choose to arrange for the processor to handle the marketing. The important thing about the amendment is that it opens up a new, but very significant outlet, for surplus sugar.

On the following page is a fact sheet that attempts to outline what some of the effects of the amendment might be.

CURRENT CCC STOCKS: 192,000 short tons

YIELD OF ALCOHOL (approx.): 150 gal./ton

TOTAL ALCOHOL: nearly 30 million gallons

VALUE OF ALCOHOL IN GASOHOL MARKET: $1.50/gal.

TOTAL VALUE OF ALCOHOL: roughly $45 Million

COST OF PROCESSING SUGAR INTO ALCOHOL:(approx.): 60-80¢/gal.

RETURN TO GOVERNMENT: roughly $20 million

Obviously, the price received for a pound of sugar used as feedstock in alcohol production is less than what could be received for that sugar if the full market value (artificially derived) could be received for it. (Alcohol fuels price: $225/ton; 15¢ market value price: $300/ton.) However, several factors must be taken into account. First, it is unlikely that the market value price will ever be received for the sugar now under government control. Second, storage costs would be negated if the sugar were processed into alcohol. Third, alcohol as a fuel extender would serve a very useful purpose in light of the current gasoline squeeze, and there should be a premium coefficient built into these cost figures to account for the displacement of imports that would result, however small.

I believe that the amendment is worthy of support. It does nothing more than to give the Secretary the authority to pursue the application of government-owned sugar to a valuable end use--that of fuel alcohol—if he determines that the traditional outlets for the sugar would not allow the government to recoup its acquisition costs. It does this by giving the authority to the Secretary to release sugar stocks at prices below the mandated release level if the stocks are intended for use as feedstocks for alcohol fuels.

AMENDMENTS TO COMMITTEE PRINT NO. 1 OF H.R. 2172

Title II - Import Restrictions on Sugar

Page 5, strike out line 25 and page 6, strike out lines 1 through 6, and insert in lieu thereof the following:

"(1) the term 'assured return' means--

(A) for the 1979 sugar supply year, 16.3 cents per pound, raw value; and

(B) for each sugar supply year beginning after September 30, 1980, the price objective for such sugar supply year plus .50 cents per pound raw value."

Page 7, line 13, insert before the period "except that the 1978 sugar supply year shall begin with the first supply year quarter after the date of enactment of this Act and end September 30, 1979.".

Page 7, lines 20 and 21, strike out paragraph (1) and insert in lieu thereof"

"(1) The price objective for the 1978 sugar supply year is 15 cents per pound, raw value."

"(2) The price objective for the 1979 sugar supply year is 15.8 cents per pound raw value.".

Page 7, line 22, strike out the paragraph designation "(2)" and insert in lieu thereof "(3)".

Page 7, line 23, strike out "1979" and insert in lieu thereof "1980".

-1A-

Page 8, line 21, strike out "1978" and insert in lieu thereof "1979".

Page 9, line 25, insert a period after "1979" and strike out the balance of the first sentence.

Page 10, line 4, strike out "1978" and insert in lieu thereof "1979".

Page 10, strike out lines 11 through 25, and page 11, strike out lines 1 through 8.

Page 14, line 2, insert at the end thereof the following: "The Secretary may make such adjustments in the special import duties determined for the 1978 sugar supply year as the Secretary determines necessary to provide an orderly transition to the program for the 1979 sugar supply year.".

Page 15, line 12, strike out "1978" and insert in lieu thereof "1979".

Title III - Farm Labor Provisions

Page 24, strike out lines 19 through 25, and page 25, strike out the table at the beginning of the page and lines 1 and 2, and insert in lieu thereof the following:

"(a) In General.--Every producer of sugar beets and sugarcane for sugar shall pay to each person employed on the farm in the production, cultivation, and harvesting of sugar beets and sugarcane wages as follows:

"(1) When employed on a time basis, the rates per hour shall be not less than the following:

"In all areas, except Hawaii and Puerto Rico, $3.00 for work performed during the 1978 sugar supply year beginning 30 days after the effective date of this Act, $3.30 for the 1979 sugar supply year, and in each of the 1980 and 1981 sugar supply years the rate for the sugar supply year previous to the year for which the determination is made shall be increased by an amount directly proportional to the amount by which the assured return determined under title II of this Act for the year for which the wage determination is made exceeds the assured return for the last previous sugar supply year. Rates for field equipment operators in counties or parishes where at least 25 percent of the acreage devoted to the production of agricultural commodities is planted to sugarcane or sugar beets shall be not less than 22 cents per hour more than the above rates. In Hawaii and Puerto Rico, the rates shall be as required by labor union agreement or Federal or local law."

Page 25, strike out lines 9 through 21, and page 26, strike out lines 1 through 6, and insert in lieu thereof the following:

"(3) If under any law enacted after the date of enactment of this Act there is imposed any limitation on the total amount of the payment that any person may receive under title II of this Act in any sugar supply year or the authority to make payments under title II of this Act is terminated, the wage rates for all areas shall be reduced 10 cents per hour for the sugar supply years to which such provisions apply from the rates that would otherwise be in effect for such years.".

Page 29, strike out lines 1 through 14 and insert in lieu thereof the following:

"(d) Statute of Limitations.--Any action commenced to enforce any cause of action for unpaid minimum wages, or liquidated damages, may be commenced within two years after the cause of action accrued, and every such action shall be forever barred unless commenced within two years after the cause of action accrued, except that a cause of action arising from a willful violation may be commenced within three years after the cause of action accrued.

"(e) Employee Protection.--(1) No employer may discharge any employee or otherwise discriminate against any employee with respect to the employee's compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee) has--

(i) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this Act;

(ii) testified or is about to testify in any such proceeding; or

(iii) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of this Act.

(2) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of paragraph (1) may, within one hundred-eighty days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.

(3)(A) Upon receipt of a complaint filed under paragraph (2), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within thirty days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this subparagraph. Within 90 days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by subparagraph (B) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for public hearing. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complaintant.

(B) If, in response to a complaint filed under paragraph (2), the Secretary determines that a violation of paragraph (1) has occurred, the Secretary shall order the person who committed such violation to (i) take affirmative action to abate the violation, and (ii) reinstate the complainant to his former position together with the compensation (including back pay), terms, conditions,

and privileges of his employment, and the Secretary may order such person to provide compensatory damages to the complainant. If an order is issued under this paragraph, the Secretary, at the request of the complainant shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expense (including attorneys' and export witness fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

(4)(A) Any person adversely affected or aggrieved by an order issued under (3) may obtain review of the order in the United States district court for the district in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within sixty days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5 of the United States Code. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary's order.

(B) An order of the Secretary with respect to which review could have been obtained under paragraph (A) shall not be subject to judicial review in any criminal or other civil proceeding.

(5) Whenever a person has failed to comply with an order issued under paragraph (3), the Secretary may file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this subsection, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages.

(6)(A) Any person on whose behalf an order was issued under paragraph (3) of subsection (d) may commence a civil action against the person to whom such order was issued to require compliance with such order. The appropriate

United States district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such order.

(B) The court, in issuing any final order under this subsection, may award costs of litigation (including reasonable attorney and exp rt witness fees) to any party whenever the court determines such award is appropriate.

(7) Any nondiscretionary duty imposed by this section shall be enforceable in a mandamus proceeding brought under section 1361 of title 28 of the United States Code.

Page 29, line 21, strike out "or services" and insert in lieu thereof "services, board, lodging, or other facilities".

Page 29, line 23, insert before "Any" the following: "The Secretary may determine the fair value of such goods, services, board, lodging or other facilities for defined classes of employees and in defined areas, based on the average cost to the employer or to groups of employers similarly situated, or average value to groups of employees, or other appropriate measures of fair value.".

Page 30, line 14, insert at the end thereof the following: "The Inspector General may enter and inspect such places and such records, question such employees, and investigate such facts, conditions, practices, or matters as he may deem necessary or appropriate to determine whether any person has violated any provision of this title or which may aid in the enforcement of the provisions of this title. Every producer subject to the provisions of this title shall keep and preserve such records of the persons employed by him and of the wages, hours and other conditions and practices of employment maintained by him for such periods of time and shall make such reports as the Secretary may prescribe by regulation as necessary or appropriate for the enforcement of this title.".

Page 30, immediately after line 14, insert the following:

"(i) Child Labor.--No child under the age of fourteen years shall be employed or permitted to work on the farm, whether for gain to such child or any other person, in the production, cultivation, or harvesting of a crop of sugar beets or sugarcane, from which the sugar was recovered, except a member of the immediate family of a person who was the legal owner of not less than 40 per centum of the crop at the time such work was performed; and no child between the ages of fourteen and sixteen years may be employed or permitted to do such work, whether for gain to such child or any person, for a period longer than eight hours in any one day, except a member of the immediate family of a person who was the legal owner of not less than 40 per centum of the crop at the time such work was performed.

"(j) Civil Penalty.-- Any person who violates the provisions of subsection (f), (g), (h), and (i), or any regulation with respect thereto shall be subject to a civil penalty of not to exceed $1,000 for each such violation. In determining the amount of such penalty, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be--

(1) deducted from any sums owning by the United States to the person charged; or

(2) recovered in a civil action brought by the Secretary in any court of competent jurisdiction.

Any administrative determination by the Secretary of the amount of such penalty shall be final, unless within fifteen days after receipt of notice thereof by certified mail the person charged with the violation takes exception to the determination that the violations for which the penalty is imposed occurred, in which event final determination of the penalty shall be made in an administrative proceeding after opportunity for hearing in accordance with section 554 of title 5, and regulations to be promulgated by the Secretary. Sums collected as penalties pursuant to this section shall be applied toward reimbursement of the costs of determining the violations and assessing and collecting such penalties.".

Page 30, line 15, redesignate paragraph "(i)" as paragraph "(k)".

Page 30, line 20, insert at the end thereof the following:

"(l) Injunction proceedings.--The district courts shall have jurisdiction, for cause shown, to restrain violations of title II of this Act, including the restraint of withholding payments of minimum wages found by the court to be due employees under this title.".

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, March 22, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Sugar and Sweetener Policy

Bill Nos. H.R. 2172

The Full XXXX (~~Sub~~) Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Hance | Mr. Wampler |
| Mr. de la Garza | Mr. Anthony | Mr. Sebelius |
| Mr. Richmond | Mr. Stenholm | Mr. Findley |
| Mr. Nolan | Mr. | Mr. Symms |
| Mr. Weaver | Mr. | Mr. Johnson |
| Mr. Baldus | Mr. | Mr. Madigan |
| Mr. Bedell | Mr. | Mrs. Heckler |
| Mr. English | Mr. | Mr. Jeffords |
| Mr. Fithian | Mr. | Mr. Kelly |
| Mr. Panetta | Mr. | Mr. Grassley |
| Mr. Huckaby | Mr. | Mr. Hagedorn |
| Mr. Glickman | Mr. | Mr. Coleman |
| Mr. Akaka | Mr. | Mr. Hopkins |
| Mr. Whitley | Mr. | Mr. Thomas |
| Mr. Coelho | Mr. | |
| Mr. Daschle | Mr. | |

Staff present:

Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Gary Norton, Assistant Counsel
Linda Miller, Staff Assistant
Susan Bell, Staff Assistant

From the staff of the Ways and Means Committee:

William K. Vaughan, Jr.
Frank R. Samolis

Witnesses:

None

Statements Filed:

None

Thursday, March 22, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172

Action Taken:

-- By a roll call vote of 16 yeas-23 nays Findley amendment to de la Garza amendment not agreed to.

Chairman Foley called the meeting to order for the purpose of further consideration of pending sugar legislation. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Weaver
3. Mr. Baldus
4. Mr. Bedell
5. Mr. Huckaby
6. Mr. Glickman
7. Mr. Mr. Whitley
8. Mr. Daschle
9. Mr. Anthony
10. Mr. Stenholm
11. Mr. Wampler
12. Mr. Symms
13. Mr. Jeffords
14. Mr. Kelly
15. Mr. Hagedorn
16. Mr. Hopkins
17. Mr. Thomas
18. Mr. Foley
19. Mr. English
20. Mr. Panetta
21. Mr. Grassley
22. Mr. Sebelius
23. Mr. Akaka

Twenty-three Members having responded, a quorum was established.

Pending at the close of the previous meeting was an amendment by Mr. de la Garza (see minutes of March 21 for copy of amendment). Mr. de la Garza was recognized to continue explaining the provisions of his proposal. Staff submitted the attached comparative information which had been requested. Also attached is a comparative which Mr. Symms submitted. Discussion continued on the de la Garza amendment.

Mr. Findley moved to amend the de la Garza amendment by striking paragraph (3) on page 3. Discussion occurred on the Findley amendment. By a show of hands vote of 12 yeas-12 nays the Findley amendment was not agreed to. Mr. Hagedorn requested a recorded vote and 9 Members sustained the request. The vote follows:

Thursday, March 22, 1979
Full Committee
Business Meeting
Sugar and Sweetener Policy
H.R. 2172

YEAS

1. Mr. Nolan
2. Mr. Bedell
3. Mr. English
4. Mr. Fithian
5. Mr. Panetta
6. Mr. Glickman
7. Mr. Daschle
8. Mr. Findley
9. Mr. Madigan (proxy to Mr. Wampler)
10. Mr. Jeffords (proxy to Mr. Wampler)
11. Mr. Grassley
12. Mr. Hagedorn
13. Mr. Coleman (proxy to Mr. Sebelius)
14. Mr. Hopkins
15. Mr. Weaver (proxy to Mr. Bedell)
16. Mr. Harkin (proxy to Mr. Bedell)

NAYS

1. Mr. de la Garza
2. Mr. Huckaby
3. Mr. Akaka
4. Mr. Coelho
5. Mr. Hance
6. Mr. Anthony
7. Mr. Stenholm
8. Mr. Wampler
9. Mr. Sebelius
10. Mr. Symms
11. Mr. Johnson
12. Mr. Kelly
13. Mr. Malenee (proxy to Mr. Johnson)
14. Mr. Thomas
15. Mr. Foley
16. Mr. Jones (N.C.)(proxy to Mr. Foley)
17. Mr. Jones (Tenn.)(proxy to Mr. Foley)
18. Mr. Mathis (proxy to Mr. Foley)
19. Mr. Bowen (proxy to Mr. Foley)
20. Mr. Skelton (proxy to Mr. Foley)
21. Mr. Whitley (proxy to Mr Foley)
22. Mr. Rose (proxy to Mr. Foley)
23. Mr. Richmond (proxy to Mr. de la Garza)

Thus, by a roll call vote of 16 yeas-23 nays the Findley amendment was not agreed to.

At 11:35 a.m. the meeting was adjourned, to reconvene at 10:00 a.m. on Tuesday, March 27, for further consideration of sugar and sweetener policy and the pending de la Garza amendment.

Glenda Temple

| Committee Print | de la Garza Amendment |
|---|---|
| Pricing Provisions | Pricing Provisions |
| 1978 - Assured Return - 15.75, Price Objective 15.25<br>1979 -1981 Assured Return - Prite objective for prior year adjusted (but not increased by more than 7%) to reflect changes in cost of production plus .50¢ | 1978 - Price objective 15¢ (beginning July 1, 1979)<br>1979 - Assured return 16.3, Price objective 15.6<br>1980-1981 - Same as H.R. 2172 for 1979-1981 |
| Authorizes payments up to .50¢ to reflect the difference between the assured return and average daily prices for the year | Authorizes payments as provided in H.R. 2172 except no payments authorized for 1978 |
| Snap Back | Snap Back |
| If any payment limitation is imposed, authority to make payments under this Act terminates and the price objective for that year and subsequent years will be increased by .50¢ | Deletes this provision |
| Transition Program | Transition Program |
| No comparable provision | Provides that Secretary may make adjustments to 1978 duties to provide orderly transition to the program for 1979 sugar supply year |
| Labor Provisions | Labor Provisions |
| 1978 - $3.00, with 20¢ increase per year until 1982. All field equipment operators receive 10% more than the above rates | 1978 - $3.00; 1979 - $3.30; increases for 1980 and 1981 proportional to increases in assured return. Field equipment operators in counties where over 25% of agricultural acreage is planted to sugar beets or sugarcane receive 22¢ more than above rates |
| No comparable provision | If payments are limited or disallowed wage rates are reduced by 10¢ |

| Committee Print Con't | de la Garza Amendment Con't |
| --- | --- |
| 2-year statute of limitations for unpaid wages and liquidated damages | 2-year statute of limitations except actions for willful violations may be commenced within 3 years |
| Prohibits discriminatory discharge or other sanction against employee participating in any proceding against employer for violation of labor provisions. Imposes $1,000 fine for knowing violation | Clarifies this provision to bring it in conformity with Department of Labor proposals. Provides procedures and time limits to be followed. Deletes $1,000 fine but provides remedies of reinstatement, back pay, compensatory damages, costs and attorney's fees |
| Requires producers to pay 1978 wages for work performed prior to the date of enactment of this Act | Deletes this provision |
| Prohibits the charging by employers of excessive charges for goods or services. Provides $1,000 fine for knowing violations. | Clarifies this provision by using language from the Fair Labor Standards Act to more clearly define "services" and how the fair value of goods and services is to be determined |
| Authorizes the Office of Inspector General, USDA, to investigate violations of labor provisions | Retains this provision and further authorizes the OIG to inspect books, records and premises of employers to determine compliance with or detect violations of the labor provisions. Authorizes the Secretary to require the keeping of appropriate records and the filing of such reports as the Secretary deems necessary. |
| No comparable provision | Prohibits the employment of a child under 14, or between 14 and 16 for more than an 8 hour day, unless such child is a member of the immediate family of an employer who is the legal owner of more than 40% of the crop on which labor is being performed (similar provision appeared in Sugar Act of 1948) |
| No comparable provision | Provides civil penalty of $1,000 for violations of provisions regarding excessive charges, compensation insurance, required recordkeeping and reporting, and child labor |
| No comparable provision | Vests jurisdiction in district courts to restrain violations of labor provisions including restraining withholding of wages found to be due employees by the court |

| | H.R. 2172 | Administration | Johnson Amendment | de la Garza Amendment |
|---|---|---|---|---|
| 1978 | - 15.25¢ price objective<br>- up to a .5¢ payment<br>- a loan interest waiver subsidy for loans on '77 and '78 sugar<br>- $3.00/hr. fieldworker wage<br>- possible carrying charges | - no change from present policy (14.73¢ loan rate; 15¢ price objective; $3.00 per hour fieldworker wage) | - 15.8¢ price objective<br>- no payment<br>- no loan interest waiver subsidy on '77 and '78 sugar<br>- $3.00/hr. fieldworker wage | - 15¢ price objective<br>- no payment<br>- loan interest waiver subsidy for loans on '77 & '78 sugar<br>- $3.00/hr. fieldworker wage |
| 1979 | - price objective based on changes in cost of production, not to exceed 7% (15.25¢ to up to 16.3¢ [107%])<br>- up to a .5¢ payment<br>- a loan interest waiver subsidy on '78 sug.<br>- $3.20/hr. fieldworker wage | - 15.8¢ price objective<br>- up to a .5¢ payment (max. return of 16.3¢)<br>- $3.30/hr. fieldworker wage | - 16.5¢ price objective<br>- no payment<br>- no loan interest waiver subsidy on '78 sugar<br>- $3.30/hr. fieldworker wage | - 15.8¢ price objective<br>+ up to .5¢ payment<br>"Assured Return"<br>- loan interest waiver subsidy for loans on '78 sugar<br>- $3.30/hr. fieldworker wage |
| 1980 | - price objective based on changes in cost of production, not to exceed 7% (15.25 - 16.3¢ [whatever price objective was for '79] times up to 107% = ___¢)<br>- up to a .5¢ payment<br>- $3.40/hr. fieldworker wage | - price objective based on changes in cost of production, not to exceed 7% (15.8¢ times up to 107% = max. price objective of 16.9¢)<br>- up to a .5¢ payment (max. return of 17.4¢)<br>- $3.60/hr. fieldworker wage | - 17.6¢ price objective<br>- no payment<br>- $3.50/hr. fieldworker wage | - 15.8 to 16.9¢ price objective (based on cost of production changes not to exceed 7%)<br>+ up to .5¢ payment<br>"Assured Return"<br>- fieldworker wage = wage for 1979 increased by same % as 1980 assured return increases over 1979 assured return |
| 1981 | - price objective based on changes in cost of production, not to exceed 7% (1980 price objective of ___¢ times up to 107% = ___¢)<br>- up to a .5¢ payment<br>- $3.60/hr. fieldworker wage | - price objective based on changes in cost of production, not to exceed 7% (16.9¢ times up to 107% = max. price objective of 18¢)<br>- up to a .5¢ payment (max. return of 18.5¢)<br>- $3.95/hr. fieldworker wage | - 18.8¢ price objective<br>- no payment<br>- $3.75/hr. fieldworker wage | - price objective for 1980, escalated to reflect changes in cost of production not to exceed 7%<br>+ up to .5¢ payment<br>"Assured Return"<br>- fieldworker wage - wage for 1980 increased by same % as as 1981 assured return increases over 1980 assured return. |

MAXMIMUM PRICE OBJECTIVES, PAYMENTS, ASSURED RETURNS AND LABOR WAGES ACHIEVED UNDER THE PROPOSED DE LA GARZA AMENDMENT

| | 1978 | 1979 | 1980 | 1981 |
|---|---|---|---|---|
| PRICE OBJECTIVE | 15¢ | 15.8¢ | 16.9¢ | 18.1¢ |
| PAYMENT | None | .5¢ | .5¢ | .5¢ |
| ASSURED RETURN | | 16.3¢ | 17.4¢ (6.7% increase over 1979) | 18.6¢ (6.9% increase over 1980) |
| WAGE RATE | $3.00 | $3.30 (9% increase over 1978) | $3.52 (6.7% increase over 1979) | $3.76 (6.8% increase over 1980) |

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, March 28, 1979

(Sub) Committee Conservation and Credit

Meeting: Public Hearing

Subject: Possible Manipulation in March Wheat Futures

Bill Nos. _____

The Conservation and Credit (Sub) Committee met in open Session at 2:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Jones (Tenn.) | Mr. | Mr. Rose |
| Mr. Glickman | Mr. | Mr. Stenholm |
| Mr. Hance | Mr. | Mr. Smith (Iowa) |
| Mr. Richmond | Mr. | Mr. |
| Mr. Baldus | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. English | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Madigan | Mr. | Mr. |
| Mr. Marlenee | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |

Staff present:

Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

Witnesses:

1. Hon. Gary Seevers, Acting Chairman Commodity Futures Trading Commission.

   Acc. by: Mr. John Gaine, General Counsel
   Mr. Don Tendrick, Executive Director
   Mr. John Mielke

2. Mr. Robert Wilmouth, President, Chicago Board of Trade, Chicago, Illinois.

   Acc. by: Mr. Philip Johnson, Counsel
   Mr. Robert Goldberg, Trader and Member of Business Conduct Committee
   Mr. Thomas Coleman, Assistant to Mr. Wilmouth
   Mr. Donald Bidgood, Director, Office of Investigations

Statements Filed:

None

Wednesday, March 28, 1979
Conservation and Credit Subcommittee
Public Hearing
Possible Manipulation in March
Wheat Futures

Chairman Jones (Tenn.) called the meeting to order and made a brief opening statement on the need to discuss the Commodity Futures Trading Commission's recent attempt to halt trading in March wheat futures on the Chicago Board of Trade. Mr. Madigan, the Ranking Minority Member of the Subcommittee, also made an opening statement.

The witnesses listed on page 2 of these minutes were recognized for their prepared testimony. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee. Mr. Madigan requested a copy of the minutes of the Board's meetings where the situation was discussed.

During the questioning, the witnesses declined to give the names of the traders suspected of trying to corner the market to the Committee. The Commission stated it would give the requested information in executive session. Chairman Jones (Tenn.) advised that the matter would be considered by the full Committee in order to subpoena the necessary witnesses and require issuance of such books, records, correspondence, and papers as is deemed necessary.

At 6:10 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, March 29, 1979

(Sub) Committee Department Investigations, Oversight, and Research

Meeting: Public Hearing

Subject: Energy Situation

Bill Nos.

The Department Investigations, Oversight, and Research (Sub) Committee met in open Session at 2:00 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. de la Garza | Mr. | Mr. |
| Mr. Brown | Mr. | Mr. |
| Mr. Fithian | Mr. | Mr. |
| Mr. Skelton | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Wampler | Mr. | Mr. |
| Mr. Grassley | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Members Also Present:

Mr. Stenholm
Mr. Coelho

Staff present:

Tony Imhof, Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Bert Pena, Subcommittee Staff Consultant
Gary Norton, Assistant Counsel
Jerry Jorgensen, Staff Assistant
Tom Adams, Staff Assistant

Witnesses:

1. Mr. Weldon Barton, Director, Department of Energy, U.S. Department of Agriculture, Washington, D.C.

   Acc. by: Mr. Tom Van Arsdall, Staff Economist

2. Commissioner George R. Hall, Federal Energy Regulatory Commission.

   Acc. by: Ms. Mary Jane Reynolds, Special Assistant to the General Counsel

Statements Filed:

None

Thursday, March 29, 1979
Department Investigations, Oversight
and Research
Public Hearing
Energy Situation

Chairman de la Garza called the meeting to order and made a brief opening statement on the need to look at the energy situation as it relates to agriculture. Mr. Madigan, the Ranking Minority Member of the Subcommittee, also made opening remarks.

The witnesses listed on page 2 were recognized for their prepared testimony. Following presentation of their statements the witnesses were questioned by the Members.

Chairman de la Garza announced that Secretary Schlesinger had been scheduled to appear, but had canceled due to some pressing problems in the energy field. He advised that the Secretary would be rescheduled next week.

During the proceedings recesses were taken at 2:15 and 3:20 p.m. to enable Members to respond to recorded votes on the House Floor. At 5:07 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, April 3, 1979

(Sub) Committee Livestock and Grains

Meeting: Public Hearing

Subject: Increase target prices for wheat and feed grains

Bill Nos. H.R. 3398

The Livestock and Grains (Sub) Committee met in open Session at 2:00 o'clock, in Room 1302

The following Members were present:

| | | | | | |
|---|---|---|---|---|---|
| Mr. | Rose | Mr. | | Mr. | |
| Mr. | English | Mr. | | Mr. | Glickman |
| Mr. | Daschle | Mr. | | Mr. | Harkin |
| Mr. | Stenholm | Mr. | | Mr. | |
| Mr. | de la Garza | Mr. | | Mr. | |
| Mr. | Fithian | Mr. | | Mr. | |
| Mr. | Nolan | Mr. | | Mr. | |
| Mr. | Baldus | Mr. | | Mr. | |
| Mr. | Hance | Mr. | | Mr. | |
| Mr. | Sebelius | Mr. | | Mr. | |
| Mr. | Johnson | Mr. | | Mr. | |
| Mr. | Hagedorn | Mr. | | Mr. | |
| Mr. | Marlenee | Mr. | | Mr. | |
| Mr. | Coleman | Mr. | | Mr. | |
| Mr. | | Mr. | | | |
| Mr. | | Mr. | | | |

Members Also Present:

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Glenda Temple, Clerk
Claude Freeman, Subcommittee Staff Consultant
Lee Musil, Staff Assistant

Witnesses:

1. Mr. Howard W. Hjort, Director of Economics, Policy Analysis and Budget, U.S. Department of Agriculture, Washington, D.C.

Statements Filed:

None

Tuesday, April 3, 1979
Livestock and Grains Subcommittee
Public Hearing
Increase target prices for wheat
and feed grains
H.R. 3398

Action Taken:

-- Unanimous consent request of Mr. English to hold hearing on H.R. 3398 agreed to without objection.

Chairman Rose called the meeting to order. Mr. English asked unanimous consent to hold the hearing on H.R. 3398 rather than H.R. 3290 as announced, and there was no objection. Mr. Hjort was recognized for his prepared statement on the legislation. Following presentation of testimony, the witness was questioned by the Members of the Subcommittee.

During the proceedings, Mr. Sebelius introduced a group of Farm Bureau presidents from Kansas. At 3:35 p.m. the meeting was adjourned to reconvene at 2:00 p.m. on Wednesday, April 4, to mark up the legislation.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, April 4, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, & Nutrition
Department Investigations, Oversight, & Research

Meeting: ~~Joint Public Hearing~~

Subject: Food Price Inflation

Bill Nos.

The Joint (Sub) Committee s met in open Session at 9:30 o'clock, in Room 1301.

The following Members were present:

| Domestic Marketing Subc.: | Department Investigations Sub.: | Other Members Present: |
|---|---|---|
| Mr. Richmond | Mr. de la Garza | Mr. Coelho |
| Mr. Panetta | Mr. Fithian | Mr. Huckaby |
| Mr. Nolan | Mr. Skelton | Mr. Baldus |
| Mr. Glickman | Mr. Glickman | Mr. Hagedorn |
| Mr. Akaka | Mr. Enlgish | Mr. Vanik |
| Mr. Symms | Mr. Wampler | Mr. |
| Mr. Heckler | Mr. Heckler | Mr. |
| Mr. Grassley | Mr. Grassley | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Glenda Temple, Clerk
Fowler C. West, Staff Director
Joe Crapa, Subcommittee Staff Consultant
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Mary Jarratt,Staff Assistant

Witnesses:

1. Mr. Alfred E. Kahn, Chairman, Council on Wage and Price Stability, Washington, D.C.

   Acc. by: Mr. Robert Russell, Deputy Director, Council on Wage and Price Stability

   Mr. Tom Lenard, Chief Economist

Statements Filed:

None

Wednesday, April 4, 1979
Domestic Marketing, Consumer Relations and
Nutrition Subcommittee and
Department Investigations, Oversight, and
Research Subcommittee
Joint Public Hearing
Food Price Inflation

Chairman Richmond called the meeting to order and brief introductory statements were made by Messrs. Richmond, de la Garza, Symms, and Wampler. The witness listed on page 2 of these minutes was recognized for his prepared testimony on the Administration's efforts to deal with food price inflation. Following presentation of his statement, Mr. Kahn was questioned by the Members of the Subcommittees.

At 11:30 a.m. the meeting was adjourned, to reconvene subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, April 4, 1979

(Sub) Committee Livestock and Grains

Meeting: Business

Subject: Target Prices for wheat, corn and other feed grains

Bill Nos. H.R. 3398

The Livestock and Grains (Sub) Committee met in open Session at 2:00 o'clock, in Room 1302.

The following Members were present:

| | | |
|---|---|---|
| Mr. Rose | Mr. | Mr. |
| Mr. English | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. de la Garza | Mr. | Mr. |
| Mr. Fithian | Mr. | Mr. |
| Mr. Skelton | Mr. | Mr. |
| Mr. Nolan | Mr. | Mr. |
| Mr. Baldus | Mr. | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. Sebelius | Mr. | Mr. |
| Mr. Johnson | Mr. | Mr. |
| Mr. Hagedorn | Mr. | Mr. |
| Mr. Coleman | Mr. | Mr. |
| Mr. Marlenee | Mr. | |
| Mr. | Mr. | |

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Glenda Temple, Clerk
Claude Freeman, Subcommittee Staff Consultant
Lee Musil, Staff Assistant

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Witnesses:

None

Statements Filed:

None

Wednesday, April 4, 1979
Livestock and Grains Subcommittee
Business Meeting
Target Prices for wheat, corn and other feed grains
H.R. 3398

Action Taken:

-- By show of hands vote of 4 yeas-8 nays Nolan amendment to Hance amendment not agreed to.

-- By show of hands vote of 3 yeas-7 nays Stenholm amendment to Hance amendment not approved.

-- By roll call vote of 4 yeas-13 nays Hance amendment not agreed to.

-- By roll call vote of 7 yeas-10 nays Sebelius substitute amendment not approved.

-- By roll call vote of 8 yeas-8 nays Johnson amendment not approved.

-- By show of hands vote of 11 yeas-0 nays H.R. 3398 approved and ordered reported to the full Committee in the presence of a quorum.

Chairman Rose called the meeting to order for the purpose of considering legislation to increase target prices for wheat, corn and other feed grains. Mr. English moved that H.R. 3398 be considered as the markup vehicle, and there was no objection. The bill was considered as read and open for amendment at any point. Mr. English was recognized to explain the provisions of the legislation.

Mr. Nolan stated that he wished to offer an amendment to the bill to provide for a loan rate at 90 percent of parity. Discussion occurred and without objection Mr. Nolan withdrew his amendment in order to perfect the language of the amendment.

Mr. Hance offered and explained the attached amendment which would tie the loan rate and target price to parity. Discussion occurred on the Hance amendment.

Mr. Nolan moved to amend the Hance amendment by changing the figure "70 per centum" to "90 per centum" in section 2(1) and in section 3(1) and by deleting the words "and payments" on line 3 of section 4. Discussion occurred and by a show of hands vote of 4 yeas-8 nays the Nolan amendment was not agreed to.

Mr. Stenholm stated he would like to amend the Hance amendment to provide for a 30 percent set aside for feed grains and corn, recognizing that it was too late for the 1979 wheat crop. Discussion occurred on the Stenholm proposal and by a show of hands vote of 3 yeas-7 nays the Stenholm amendment was not agreed to.

Wednesday, April 4, 1979
Livestock and Grains Subcommittee
Business Meeting
Target Prices for wheat, corn and other feed grains
H.R. 3398

Discussion continued on the Hance amendment and by a show of hands vote of 4 yeas-7 nays the amendment was not agreed to. Mr. Hance requested a recorded vote and 4 Members sustained the request. The vote follows:

Y E A S

1. Mr. Daschle
2. Mr. Stenholm
3. Mr. Nolan
4. Mr. Hance

N A Y S

1. Mr. English
2. Mr. Fithian
3. Mr. Skelton
4. Mr. Sebelius
5. Mr. Johnson
6. Mr. Hagedorn
7. Mr. Coleman
8. Mr. Marlenee
9. Mr. Jones (Tenn.)(proxy to Mr. Rose)
10. Mr. Baldus (proxy to Mr. Rose)
11. Mr. Symms (proxy to Mr. Sebelius)
12. Mr. Rose
13. Mr. de la Garza (proxy to Mr. English)

Thus, by a roll call vote of 4 yeas-13 nays the Hance amendment was not approved.

Mr. Sebelius offered the attached substitute amendment raising the target prices. Discussion occurred on the Sebelius amendment and by a show of hands vote of 4 yeas-7 nays the amendment was not agreed to. Mr. Johnson requested a recorded vote and 4 Members sustained the request. The vote follows:

Y E A S

1. Mr. Hance
2. Mr. Sebelius
3. Mr. Johnson
4. Mr. Hagedorn (proxy to Mr. Johnson)
5. Mr. Symms (proxy to Mr. Sebelius)
6. Mr. Marlenee
7. Mr. Nolan

N A Y S

1. Mr. English
2. Mr. Daschle
3. Mr. Stenholm
4. Mr. de la Garza (proxy to Mr. English)
5. Mr. Fithian
6. Mr. Skelton
7. Mr. Jones (Tenn.)(proxy to Mr. Rose)
8. Mr. Baldus (proxy to Mr. Rose)
9. Mr. Coleman
10. Mr. Rose

Thus, by a roll call vote of 7 yeas - 10 nays the Sebelius amendment was not approved.

Wednesday, April 4, 1979
Livestock and Grains Subcommittee
Business Meeting
Target Prices for wheat, corn and other feed grains
H.R. 3398

Mr. Johnson offered an amendment to strike the figures in the bill before the Subcommittee of $3.63 for wheat and $2.35 for corn and insert in lieu thereof $3.75 and $2.42, respectively. Discussion occurred on the amendment. By a show of hands vote of 6 yeas-5 nays the amendment was agreed to. Mr. English requested a recorded vote and 4 Members sustained the request. The vote follows:

YEAS

1. Mr. Daschle
2. Mr. Nolan
3. Mr. Hance
4. Mr. Sebelius
5. Mr. Johnson
6. Mr. Marlenee
7. Mr. Symms (proxy to Mr. Sebelius)
8. Mr. Hagedorn (proxy to Mr. Johnson)

NAYS

1. Mr. English
2. Mr. Stenholm
3. Mr. de la Garza (proxy to Mr. English)
4. Mr. Skelton
5. Mr. Jones (Tenn.)(proxy to Mr. Rose)
6. Mr. Baldus (proxy to Mr. Rose)
7. Mr. Coleman
8. Mr. Rose

Thus, by a roll call vote of 8 yeas-8 nays the Johnson amendment was not agreed to.

Mr. Stenholm noted that the language should be a little more specific on page 2 of the bill in relation to the rate at which payments are made available for corn since Mr. Hjort had stated during the hearing that the current payment is a nickel too low. Chairman Rose agreed and suggested that Mr. Stenholm have an amendment prepared for consideration by the full Committee.

Mr. English moved that the Subcommittee on Livestock and Grains report H.R. 3398 to the full Committee with the recommendation that it do pass. By a show of hands vote of 11 yeas-0 nays the motion was agreed to.

At 3:50 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

Glenda Temple

AMENDMENT IN THE NATURE OF A SUBSTITUTE

by MR. HANCE to H.R.

Strike out sections 2 through 4 and insert in lieu thereof the following:

"SEC. 2. Section 107(A) of the Agricultural Act of 1949, as amended, effective for the 1977 through 1981 crops of wheat, is amended by--

(1) in subsection (a) striking out 'and $2.35 per bushel for each of the 1978 through 1981 crops of wheat', and inserting in lieu thereof ', $2.35 per bushel for the 1978 crop of wheat, and 70 per centum of the parity price therefor for each of the 1979 through 1981 crops of wheat'; and striking out all after 'export markets' and inserting a period in lieu thereof; and

(2) in subsection (b)(1)(B) striking out all after the second sentence and inserting in lieu thereof the following: 'For each of the 1979 through 1981 crops of wheat, the established price shall be 80 per centum of the parity price therefor.'.

"SEC. 3. Section 105(A) of the Agricultural Act of 1949, as amended, effective for the 1977 through 1981 feed grains crops, is amended by--

(1) in subsection (a)(1) striking out '$2.00 per bushel, for each of the 1977 through 1981 crops of corn' and inserting in lieu thereof '$2.00 per bushel for each of the 1977 and 1978 crops of corn, and 70 per centum of the parity price therefor

for each of the 1979 through 1981 crops of corn', and striking out all after 'United States' and inserting a period in lieu thereof.

(2) in subsection (b)(1)(B) striking out 'for the 1979 through 1981 crops' and all that follows and inserting in lieu thereof 'for each of the 1979 through 1981 crops the established price shall be 80 per centum of the parity price therefor.'.

"SEC. 4. The provisions of this Act shall become effective October 1, 1979, and any producers who prior to such date receive loans and payments on the 1979 crop of a commodity as computed under the Agricultural Act of 1949, as amended prior to the date of enactment of this Act, may elect after September 30, 1979, to receive payments as computed under the Agricultural Act of 1949, as amended by this Act."

AMENDMENT OFFERED BY MR. SEBELIUS

to H.R. 3398

Strike everything after the words "That this Act may be cited as the" and insert in lieu thereof the following:

"Agriculture Inflation Protection Act of 1979".

SEC. 2. Section 1001 of the Food and Agriculture Act of 1977 (7 U.S.C. 1309) is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections:

"(b)(1) Notwithstanding any other provision of law, whenever a set-aside is in effect for the 1979 crop of wheat, the Secretary shall increase the established price for such crop to ~~$3.12~~ $3.95 per bushel, and whenever a set-aside is in effect for the 1980 crop of wheat, the established price for such crop shall be the established price for the previous year's crop of wheat adjusted upward to reflect the increase, during the twelve-month period beginning on the first day of such previous crop year, in the Consumer Price Index published by the Bureau of Labor Statistics or in the Index of Prices Paid by Farmers for Commodities and Services, Taxes and Farm Wages Rates published by the Department of Agriculture, whichever is greater.

"(2) Notwithstanding any other provision of law, whenever a set-aside is in effect for any 1979 crop of feed grains, the Secretary shall increase the established price for the 1979 crop of corn to ~~$2.30~~ $2.60 per bushel, and whenever a set-aside is in effect for the 1980 crop of corn the established price for such crop shall be the established price for the previous year's crop of corn adjusted upward to reflect the increase, during the twelve-month period beginning on the first day of such previous crop year, in the Consumer Price Index published by the Bureau of Labor Statistics or in the Index of Prices Paid by Farmers for Commodities and Services, Taxes and Farm Wages Rates published by the Department of Agriculture, whichever is greater.

"(c) Notwithstanding any other provision of law, whenever a set-aside is in effect for the 1979, 1980, or 1981 crop of upland cotton or rice, the Secretary may increase the established price for such crop by such amount as the Secretary determines appropriate to compensate producers for participation in such set-aside. In determining the amount of any such increase, the Secretary shall take into account changes in the cost of production resulting from participation in such set-aside. The Secretary shall adjust any increase in the established price for upland cotton or rice to reflect, in whole or in part, any land diversion payments for the crop of upland cotton or rice for which an increase is determined.

"(d) If the established price is increased for any commodity for which a set-aside is in effect, the Secretary may increase the established price for any other commodity in such amount as the Secretary determines necessary for effective operation of the target price program for such other commodity. For purposes of this subsection, the term 'commodity' means wheat, feed grains, upland cotton, or rice.".

SEC. 3. The Secretary of Agriculture shall pay any person, who would have been entitled to an increase in payments under the Agricultural Act of 1949 if the provisions of subsection (b) of section 1001 of the Food and Agriculture Act of 1977 (as amended by section 2 of this Act) had been in effect during the period beginning on the date of the enactment of this Act and ending September 30, 1979, an amount equal to the amount of such increase.

SEC. 4. Subsections (d)(1), (d)(3), and (f)(1) of section 105A of the Agricultural Act of 1949 (7 U.S.C. 1444c) are each amended by striking out "November 15" and inserting in lieu thereof "October 15".

SEC. 5. The provisions of this Act shall become effective October 1, 1979.

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U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, April 10, 1979

(Sub) Committee Cotton

Meeting: Business

Subject: Loan rates and diversion payments

Bill Nos. H.R. 3514

The Cotton (Sub) Committee met in open Session at 9:30 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Bowen | Mr. | Mr. |
| Mr. Coelho | Mr. | Mr. |
| Mr. Jones (Tenn.) | Mr. | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. Thomas | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Glenda Temple, Clerk
John Waits, Subcommittee Staff Consultant
Linda Miller, Staff Assistant

Witnesses:

Mr. Charles V. Cunningham, Branch Chief, Program Analysis, Agricultural Stabilization and Conservation Service, USDA, was present and responded to questions concerning the cotton program.

Statements Filed:

None

Tuesday, April 10, 1979
Cotton Subcommittee
Business Meeting
Loan rates and diversion payments
H.R. 3514

Action Taken:

-- By voice vote Hance amendment setting minimum target, loan and diversion payments not agreed to.

-- By voice vote Stenholm amendment setting minimum loan and target prices not agreed to.

-- By voice vote Stenholm amendment on set-aside not agreed to.

-- By voice vote Hance amendment on loan and diversion payments not approved.

-- By unanimous voice vote in the presence of a quorum H.R. 3514 ordered reported to the full Committee

Chairman Bowen called the meeting to order and explained the provisions of H.R. 3514, to amend section 103(f) of the Agricultural Act of 1949 in order to establish a minimum loan rate for the 1980 and 1981 crops of upland cotton, a diversion program for the 1979 crop of upland cotton, and a waiver of certain cross-compliance requirements for disaster payments for the 1978 crop of upland cotton.

Discussion occurred on the legislation. Mr. Hance offered the attached amendment setting a minimum target of 70 percent of parity, a minimum loan rate of 60 percent of parity and a minimum diversion payment of 20 percent. Discussion occurred and by a voice vote the amendment was not agreed to.

Mr. Stenholm offered the attached amendment setting a minimum loan rate of 55 cents per pound for the 1979 crop and a minimum target of 61.74 cents per pound. Discussion occurred and by a voice vote the amendment was not approved.

Mr. Stenholm offered the attached amendment providing for a set aside. Without objection Mr. Stenholm revised his amendment to provide for a 1979 set aside of 20 percent. Discussion occurred and by a voice vote the amendment was not approved.

Mr. Hance offered the attached amendment setting a minimum loan rate at 50.23 cents per pound and providing for a minimum diversion payment of 20 percent. Discussion occurred and by a voice vote the Hance amendment was not agreed to.

Tuesday, April 10, 1979
Cotton Subcommittee
Business Meeting
Loan rates and diversion payments
H.R. 3514

Discussion continued and Mr. Coelho moved that H.R. 3514 be ordered favorably reported to the full Committee. By a unanimous voice vote in the presence of a quorum the motion was approved and H.R. 3514 was ordered reported to the full Committee with the recommendation that it do pass.

At 10:36 a.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

Glenda Temple

NO. 1
Min. target 70% parity
Min. loan 60% parity
Min. diversion 20%

AMENDMENT OFFERED BY MR. HANCE

(A) Strike out subsection (1) and insert in lieu thereof the following:

"(1) In paragraph (1) by deleting '1978 through 1981 crops', inserting in lieu thereof '1978 crop', and by inserting immediately after the second sentence: 'The Secretary shall, upon presentation of warehouse receipts reflecting accrued storage charges of not more than sixty days, make available for the 1979 through 1981 crops of upland cotton to cooperators non-recourse loans for a term of ten months from the first day of the month in which the loan is made at such level as will reflect for Strict Low Middling one and one-sixteenth inch upland cotton (micronaire 3.5 through 4.9) at average location in the United States 85 percent of the average price (weighted by market and month) of such quality of cotton as quoted in the designated United States spot markets during the five-year period ending July 31 in the year in which the loan level is announced: Provided, That in no event shall such loan level be less than 60 per centum of the parity price therefor'";

(B) Strike from subsection (3) the language "but not less than 10 per centum nor more than 20 per centum" and insert in lieu thereof "but not less than 20 per centum"; and

(C) Add at the end of the bill the following new subsection:

"( ) In paragraph (4) by striking out 'for each subsequent crop be less than 51 cents per pound' and by inserting in lieu thereof 'for each subsequent crop be less than 70 per centum of the parity price therefor'".

1979 Minimum loan - 55 cents per pound
1979 Minimum target - 61.74 cents per pound

AMENDMENT BY MR. STENHOLM TO H.R.

(A) Insert in paragraph (1), after "for the 1978 crop," the words "nor less than 55 cents per pound for the 1979 crop,".

(B) Insert at the end of the bill a new subsection (4) as follows:

(4) In paragraph (4), by inserting after "in no event shall the established price for the 1978 crop be less than 52 cents per pound" in the third sentence the words ", for the 1979 crop be less than 61.74 cents per pound,".

1979 Set Aside of ~~30~~ 20 Percent

AMENDMENT BY MR. STENHOLM TO H.R.

Strike out subsection (3) in its entirety and insert in lieu thereof the following:

(3) in paragraph (11)(A), by inserting after the second sentence the following:

"Notwithstanding any other provision of this subparagraph, the Secretary shall provide for a set-aside of cropland on the 1979 crop of upland cotton under which as a condition of eligibility for loans, purchases, and payments on upland cotton the producers on a farm must set aside and devote to conservation uses an acreage of cropland equal to ~~30~~ 20 per centum of the acreage of upland cotton planted for harvest in the 1979 crop year."

NO. 2

Min. loan 50.23¢
Min. diversion 20%

H.R.

AMENDMENT OFFERED BY MR. HANCE

(A) Strike out subsection (1) and insert in lieu thereof the following:

"(1) In paragraph (1) by deleting '1978 through 1981 crops', inserting in lieu thereof '1978 crop', and by inserting immediately after the second sentence: 'The Secretary shall, upon presentation of warehouse receipts reflecting accrued storage charges of not more than sixty days, make available for the 1979 through 1981 crops of upland cotton to cooperators non-recourse loans for a term of ten months from the first day of the month in which the loan is made at such level as will reflect for Strict Low Middling one and one-sixteenth inch upland cotton (micronaire 3.5 through 4.9) at average location in the United States 85 percent of the average price (weighted by market and month) of such quality of cotton as quoted in the designated United States spot markets during the five-year period ending July 31 in the year in which the loan level is announced: Provided, That in no event shall such loan level be less than 50.23 cents per pound.'"

(B) Strike from subsection (3) the language "but not less than 10 per centum nor more than 20 per centum" and insert in lieu thereof "but not less than 20 per centum".

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, April 10, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Hearing

Subject: Milk price support

Bill Nos. H.R. 80 and related bills

The Dairy and Poultry (Sub) Committee met in open Session at 10:05 a.m.o'clock, in Room 1302 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. Baldus, Chairman | Mr. Jeffords | Mr. |
| Mr. Coelho | Mr. Hagedorn | Mr. |
| Mr. Whitley | Mr. Hopkins | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Al Zepp, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Peggy Pecore, Staff Assistant
Claude Freeman, Subcommittee Staff Consultant

Witnesses:

1. Mr. E. Linwood Tipton, Milk Industry Foundation and International Association of Ice Cream Manufacturers, Washington, D.C.

2. Mr. Donald Haldeman, Wisconsin Farm Bureau, Madison, Wisconsin, for American Farm Bureau, Washington, D.C.

3. Mr. Patrick B. Healy, Executive Secretary, National Milk Producers Federation, Washington, D.C.

4. Ms. Ellen Haas, Director, Consumer Division, Community Nutrition Institute, Washington, D.C.
   accompanied by: Mr. Tom Smith, Research Director, Community Nutrition Institute

5. Mr. William Butler, Bladenboro, North Carolina, for Dairymen, Inc., Louisville, Ky.

6. Mr. Irvin J. Elkin, President, Associated Milk Producers, Inc., San Antonio, Texas

7. Mr. Ray Moss Tucker, Finchville, Kentucky, for Dairymen, Inc., Louisville, Ky.

Statements Filed:

Honorable David Obey, Member of Congress from Wisconsin
Honorable Richard Nolan, Member of Congress from Minnesota
Honorable Robert W. Kastenmeier, Member of Congress from Wisconsin
Mr. E. Linwood Tipton "Facts about milk support price increases"
Mr. Patrick B. Healy's February 22 statement before the full Committee on Agriculture outlining current dairy situation
Charts compiled by National Milk Producers Federation

Subcommittee on Dairy and Poultry
Tuesday , April 10, 1979 A.M.
Public Hearing
Milk Price Support

Chairman Baldus called the meeting to order and recognized the witnesses in the order listed for their prepared testimony. They were questioned individually by Members of the Subcommittee.

Mr. Whitley chaired the meeting from 11:00 to 11:30 while the Chairman appeared before another committee.

The meeting was adjourned at 12:10 p.m. to reconvene at 2:00 p.m. this date to hear further testimony on the subject of price support for milk.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, April 10, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Hearing

Subject: Milk price support

Bill Nos. H.R. 80 and related bills

The Dairy and Poultry (Sub) Committee met in open Session at 2:07 p.m. o'clock, in Room 1302 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. Baldus, Chairman | Mr. Hopkins | Mr. |
| Mr. Akaka | Mr. | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Al Zepp, Subcommittee Staff Consultant
George Dunsmore, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Mr. Reuben Johnson, Director, Legislative Services, National Farmers Union, Washington, D.C. introduced the following panel:

   Mr. Lee Mulder, President, Wisconsin Farmers Union, Holmen, Wisconsin
   Mr. Ron Hauglie, Minnesota Farmers Union, Minneapolis, Minnesota
   Mr. Doug Caruso, General Manager, Farmers Union Milk Marketing Cooperative, Madison, Wisconsin

2. Mr. Carl Baumann, Mid-American Dairymen, Springfield, Missouri

Statements Filed:

Mr. Charles L. Frazier, Director, Washington Staff, National Farmers Organization

Mr. Steve Pavich, National Farmers Organization, Wisconsin

Mr. Robert Rumler, Holstein Association, Brattleboro, Vermont

Subcommittee on Dairy and Poultry
Tuesday, April 10, 1979 P.M.
Public Hearing
Milk Price Support

Chairman Baldus called the meeting to order and recognized the witnesses in the order listed for their prepared testimony. The witnesses responded to questions from Members of the Subcommittee.

The meeting was adjourned at 2:55 p.m. to reconvene at 10:00 a.m. on Wednesday, April 11, to hear further testimony on milk price support.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, April 11, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Hearing

Subject: Milk price support

Bill Nos. H.R. 80, and related bills

The Dairy and Poultry (Sub) Committee met in open Session at 10:07 a.m. o'clock, in Room 1302 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. Baldus, Chairman | Mr. Jeffords | Mr. |
| Mr. Coelho | Mr. | Mr. |
| Mr. Anthony | Mr. | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Bernie Brenner, Press Secretary
Al Zepp, Subcommittee Staff Consultant
George Dunsmore, Staff Assistant
Claude Freeman, Subcommittee Staff Consultant
Peggy Pecore, Staff Assistant

Witnesses:

1. Dr. Alice B. Rivlin, Director Congressional Budget Office, accompanied by:
   Dr. Raymond Scheppach, Assistant Director
   Mr. Pete Emerson, Principal Analyst
   Mr. Jim Vertrees, Principal Analyst

2. Professor Truman Graf, Department of Agricultural Economics, University of Wisconsin, Madison, Wisconsin

3. Mr. Sidney Cohen, Chief, Dairy Branch, Production and Sales Division, ASCS, USDA

Statements Filed:

Honorable Thomas E. Petri, Member of Congress from Wisconsin

Congressional Budget Office Issue paper for FY 1980, "Consequences of Dairy Price Support Policy"

Subcommittee on Dairy and Poultry
Wednesday, April 11, 1979
Public Hearing
Milk price support

Chairman Baldus called the meeting to order and recognized the witness in the order listed on page 2 for their prepared testimony.

The witnesses were questioned by Members of the Subcommittee as appearing in the record.

Chairman Baldus adjourned the hearing at 11:45 a.m. to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date April 12, 1979

(Sub) Committee Forests

Meeting: Public Hearing - Fresno, California

Subject: Timber Sales

Bill Nos. H.R. 2799

The Forests (Sub) Committee met in open Session at 1:00 p.m. o'clock, in Room Assembly Room, State of California Building, Fresno, California

The following Members were present:

| | | |
|---|---|---|
| Mr. Weaver | Mr. | Mr. |
| Mr. Coelho | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Joseph R. Rutledge, Subcommittee Counsel

Witnesses:

1. The Honorable Charles "Chip" Pashayan, Member of Congress from California.

2. Mr. Zane G. Smith, REgional Forester, Pacific Southwest Region, U.S. Forest Service, U.S. Department of Agriculture.

3. Mr. Robert F. Krohn, Woods Manager, Wickes Forest Industries, Dinuba, California.

4. Mr. Bernell E. Snider, Vice President, Snider Lumber Products Co., Turlock, California.

5. Mr. Jay T. Mehta, Division Manager, Bendix Forest Products, North Fork, California.

6. Mr. Ronald P. Monk, Assistant General Manager, Land and Timber Division, Bendix Forest Products Corporation, Martell, California.

7. Mr. John C. Dozier, Woods Manager, Bendix Forest Products Corporation, North Fork, California.

8. Mr. Richard J. Weldon, Operations Manager, E. B. Yancey Lumber Co., Madera, California.

9. Mr. Matt R. Anderson, Director of Environmental Affairs, California Forest Protective Association, Sacramento, California.

10. Mr. Warren F. Ball, President, Fresno Kings County Cattlemen's Association, Fresno, California.

11. Ms. Nancy J. Ingalsbee, Director of Public Affairs, Far West Ski Associatio, Los Angeles, California.

12. Mr. David M. Selleck, Fresno Audubon Society, Fresno, California.

Statements Filed:

None

April 12, 1979
Forests Subcommittee
Public Hearing - Fresno, California
Timber Sales
H.R. 2799

Witnesses Continued:

13. Mr. George W. Whitmore, Sierra Club, Fresno, California.

14. Mr. Victor V. Bowker, Peppermint Peak Ski Area, Porterville, California.

15. Mr. Ardis M. Walker, Conservation Director, Kern Plateau Association, Kernville, California.

Chairman Weaver called the Subcommittee to order at 1:00 p.m. and recognized the witnesses listed above for their testimony on H.R. 2799. Following presentation of their statements, the witnesses were questioned by the Subcommittee Members present.

Chairman Weaver adjourned the meeting at 5:30 p.m. and stated that the Forests Subcommittee would reconvene in San Francisco at 9:00 a.m. the following morning.

Joseph R. Rutledge
Subcommittee Counsel

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date April 13, 1979

(Sub) Committee Forests

Meeting: Public Hearing - San Francisco, California

Subject: Timber Sales

Bill Nos. H.R. 2799

The Forests (Sub) Committee met in open Session at 9:00 a.m. o'clock in Room Ceremonial Courtroom, Federal Building, San Fancisco, California

The following Members were present:

Mr. Weaver
Mr. Coelho
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.

Members Also Present:

Mr. Burton, Phillip
Mr. Seiberling
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.

Mr.
Mr.
Mr.
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Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.

Staff present:

Joseph R. Rutledge, Subcommittee Counsel

Witnesses:

1. The Honorable Huey Johnson, Secretary, Natural Resources Agency, State of California, State Capitol, Sacramento, California.

2. Mr. Zane G. Smith, Regional Forester, Pacific Southwest Region, U.S. Forest Service, U.S.Department of Agriculture.

3. Mr. Richard Worthington, Regional Forester, Pacific Northwest Region, U.S. Forest Service, U.S. Department of Agriculture.

4. Mr. Daniel D. Oswald, Research Forester, Pacific Northwest Range and Forest Experiment Station, U.S. Forest Service, U.S. Department of Agriculture, Portland, Oregon.

5. Mr. Ralph R. Modine, Supervisor, Trinity County, California, Hayfork, California.

6. Mr. Bill Neill, Chairman, Trinity County RARE II Committee, Weaverville, California.

7. Mr. Robert J. Morris, Trinity County RARE II Committee, Weaverville, California.

8. Mr. George R. Willburn, Supervisor, Trinity County, California.

9. Mr. Thurman B. White, Timber Manager, Brown Investment Co. and Western Pacific Timber Products, Ruth, California.

10. Mr. Mike Hicks, Forester, California Pacific Manufacturing Co., Weaverville, California.

11. Mr. John K. Gram, President, Public Timber Purchasers Group, Portland, Oregon.

12. Mr. William F. Smith, Resource Manager, Louisiana-Pacific Corp., Ukiah, California.

Statements Filed:

None

Witnesses Continued:

13. Mr. Dennis F. Scott, Treasurer, Eel River Sawmills, Inc., Fortuna, California.

14. Dr. John Zivnuska, Professor of Forestry, University of California, Berkeley, California.

15. Mr. George A. Craig, Executive Vice President, Western Timber Association, San Francisco, California.

16. Mr. Ralph G. Scott, Senior Engineering Geologist, California Department of Water Resources, Red Bluff, California.

17. Mr. Nathaniel S. Bingham, President, Salmon Trollers Marketing Association, Mendecino, California.

18. Ms. Christine M. Souza, Commercial Fisherwoman, Gasquet, California.

19. Mr. Ted Souza, Commercial Fisherman, Gasquet, California.

20. Mr. W. F. "Zeke" Grader, General Manager/Counsel, Pacific Coast Federation of Fishermen's Associations, Sausalito, California.

21. Mr. Norman L. de Vall, Supervisor, Mendocino County, Mendocino, California.

22. Mr. John J. Amodio, Wilderness Coordinator, Sierra Club, Arcata, California.

23. Mr. Dave P. Van de Mark, Public Lands Coordinator, Redwood Chapter, Sierra Club, Trinidad, California.

24. Mr. Dennis L. Ducey, Communications Technician, Fremont, California.

25. Ms. Edith P. Eckart, rancher, Payside, California.

Chairman Weaver called the Subcommittee to order at 9:00 a.m. and recognized the witnesses listed above for their testimony on H.R. 2799. Following presentation of their testimony, the witnesses were questioned by the Members present.

April 13, 1979
Forests Subcommittee
Public Hearing - Fresno, California
Timber Sales
H.R. 2799

Chairman Weaver recessed the hearing from 12:30 to 1:00 p.m. for lunch. Chairman Weaver adjourned the hearing at 6:00 p.m. and announced that the Subcommittee would reconvene in Eugene, Oregon, on April 16th to continue its hearings on H.R. 2799.

Joseph R. Rutledge
Subcommittee Counsel

47-987 O - 79 - 14

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

**MINUTES**

Date April 16, 1979

(Sub) Committee Forests

Meeting: Public Hearing - Eugene, Oregon

Subject: Timber Sales

Bill Nos. H.R. 2799

The Forests (Sub) Committee met in open Session at 9:00 a.m. o'clock, in Room Harris Hall, Eugene City Hall, Eugene, Oregon

The following Members were present:

| | | |
|---|---|---|
| Mr. Weaver | Mr. | Mr. |
| Mr. Coelho | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Joseph R. Rutledge, Subcommittee Counsel

Witnesses:

1. Mr. Jerome C. Fitzgerald, Eugene Area Chamber of Commerce, Eugene, Oregon.
2. Mr. C. Robert Smith, Springfield Area Chamber of Commerce, Springfield, Oregon.
3. Dean Carl H. Stoltenberg, Dean, School of Forestry, Oregon State University, Corvallis, Oregon.
4. Mr. Gerald H. Rust, Jr., Lane County Commissioner, Eugene, Oregon.
5. Mr. Vance L. Freeman, Lane County Commissioner, Eugene, Oregon.
6. Mr. Marion M. Nelson, forester (retired), Salem, Oregon.
7. Mr. Robert W. Harris, Deputy Chief, U.S. Forest Service (retired), Wilsonville, Oregon.
8. Mr. Tom Glazebrook, forestry consultant, Portland, Oregon.
9. Mr. C. Glen Jorgensen, forester (retired), Vancouver, Washington.
10. Mr. Ray L. Doerner, Executive Director, Oregon and California Counties Association, Roseburg, Oregon.
11. Mr. Clifford D. Fisher, Vice President, Bohemia Inc., Eugene, Oregon.
12. Mr. James C. Geisinger, Executive Director, Douglas Timber Operators, Roseburg, Oregon.
13. Mr. Stanley R. Christensen, Director, National Association of Conservation Districts, McMinnville, Oregon.

Statements Filed:

None

Witnesses Continued:

14. Mr. William D. Hagenstein, Executive Vice President, Industrial Forestry Association, Portland, Oregon.

15. Ms. L. Sue Corwin, Oregon Farm Bureau, Eugene, Oregon.

16. Mr. James D. Monteith, Executive Director, Oregon Wilderness Coalition, Eugene, Oregon.

17. Mr. Marvin E. Peterson, self-employed cedar cutter, Pleasant Hill, Oregon.

18. Mr. John J. Burke, President, Inter-Mountain Forestry, Inc., Ashland, Oregon.

19. Mr. Robert Lindsay, Director of Industrial Relations, Associated Oregon Loggers, Inc., Springfield, Oregon.

20. Mr. Lee O. Hunt, Consulting Forester, Oregon Small Woodland Association, Winston, Oregon.

21. Ms. Bonnie A. L. Hill, high school teacher, Alsea, Oregon.

Chairman Weaver called the Subcommittee to order at 9:00 a.m. and recognized the witnesses listed above for their testimony on H.R. 2799 and related subjects. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

The Subcommittee recessed for lunch at 11:35 a.m. and reconvened at 1:35 p.m. Chairman Weaver adjourned the Subcommittee at 4:05 p.m. and announced that the Subcommittee would reconvene in Portland, Oregon, at 9:00 a.m. on Friday, April 20.

Joseph R. Rutledge
Subcommittee Counsel

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date April 19, 1979

(Sub) Committee Conservation and Credit

Meeting: Field Hearings, Hollister, California

Subject: Revision of Federal Crop Insurance Program

Bill Nos. ____

The Conservation and Credit (Sub) Committee met in public Session at 9:00 A.M. o'clock, in Room 204, Supervisors Chambers, 471 4th Street, Hollister, California.

The following Members were present:

| | | |
|---|---|---|
| Mr. Panetta | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Robert Cashdollar, Subcommittee Consultant
Wayne Fletcher, Subcommittee Consultant

Action taken:

Witnesses:

1. James D. Deal, Manager, Federal Crop Insurance Corp., USDA, Washington, D.C. 20250
2. Don Beeler, Regional Director, Federal Crop Insurance Corp., Davis, Calif. 95616
3. Fred Heringer, President, California Farm Bureau, Clarksburg, Calif.
4. Roy Lompa, Grain Farmer, Hollister, Calif. 95023
5. Herb Aarons, Cooperative Central, Salinas, Calif.
6. Granville Perkins, Artichoke Industries, Castroville, Calif. 95012
7. Jack Edmundson, San Benito County Agriculture Commissioner, Hollister, Calif. 95023
8. Kalem Barserian, Raisin Bargaining Assn., Fresno, Calif.
9. Kenneth Frick, Executive Vice President, Western Cotton Growers Assn., Kern County, Calif.
10. Quinton Tobias, President, San Benito County Farm Bureau, Calif.
11. Edward Martin, Merced County, Calif.
12. Bill Barker, Monterey County Farm Bureau, Monterey, Calif. 93940
13. Charles Barr, President, Santa Cruz County Farm Bureau, Santa Cruz, Calif.
14. Marcel Layous, Member, State Committee, Agricultural Stabilization & Conservation Service, Monterey, Calif. 93940
15. Ed Angstadt, Grower, Shippers Vegetables Assn., Monterey County, Calif.
16. Paul Bertuccio, Grower, Hollister, Calif. 95023
17. Christopher Lauppe, Agricultural Stabilization & Conservation Service, San Benito County, Calif.
18. Ian MacMillan, Farmer, San Luis, Obispo County, Calif.
19. Don Rochester, Deputy Agricultural Commissioner, Monterey, Calif.
20. Rudy Neja, Farm Advisor, Monterey County, Calif.
21. Al Hanson, Farmer, King City, Calif. 93930
22. Dan Villa, Central Coast Counties Development Corp., Monterey County, Calif.

Statements Filed:

NONE

Thursday, April 19, 1979
Conservation & Credit Subcommittee
Field Hearing, Hollister, California
Crop Insurance

Representative Panetta, Acting Chairman, called the meeting to order and thanked the witnesses and guests for their interest in revision of the Federal Crop Insurance Program. He questioned each witness following their testimony. 21 witnesses were heard.

The meeting was adjourned about 2:30 P.M.

Robert Cashdollar

Robert Cashdollar

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date April 20, 1979

(Sub) Committee Conservation and Credit

Meeting: Field Hearings, Enid, Oklahoma

Subject: Revision of Federal Crop Insurance Program and operation of Farmers Home Administration

Bill Nos.

The Conservation and Credit (Sub) Committee

met in public Session at 10:00 A.M o'clock, in Room Federal Court Room, Post Office Building, Enid, Oklahoma

The following Members were present:

| | | also present: |
|---|---|---|
| Mr. Jones (Tenn.) | Mr. | Mr. Synar |
| Mr. English | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |

Staff present:

Robert Cashdollar, Subcommittee Consultant
Wayne Fletcher, Subcommittee Consultant

Action taken:

Witnesses:

1. Jim Billington, President, Oklahoma Wheat Growers Assn., 904 Centerbury Blvd., Altus, Okla. 73521
2. Alvin Covalt, 1010 Oklahoma St., Woodward, Okla. 73801
3. Bob Smith, Rt. 1, Box 58, Omega, Okla. 73764
4. C. B. Graft, Attorney, Box 277, Clinton, Okla. 73601
5. Jerry Jackson, First National Bank, Stigler, Okla. 74462
6. Gordon Cavanaugh, Administrator, Farmers Home Administration, USDA, Wash., D.C.
7. Tom Marshall, Regional Coordinator, Farmers Home Administration, Wash., D.C.
8. Hank Meyer, Attorney, Hieronymus, Hodgden & Halley, 1002 9th St., Woodward, Okla. 73801
9. Ralph Carpenter, Banker, Quinton, Okla. 74561
10. Ted Smith, Banker, Farmers & Merchants Bank, Box 157, Hennessey, Okla. 73742
11. Gene Wallace, Muskogee, Okla. 74401
12. Jack Stuteville, Peoples National Bank, Kingfisher, Okla. 73750
13. William W. Rodgers, Jr., President, Security Bank & Trust Co., Box 151, Blackwell, Okla. 74631
14. Gloria Belair, Blackwell Board of Realtors, Blackwell, Okla. 74631
15. Cecil Stubblefield, Rt. 2, Box 85, Boise City, Okla. 73933
16. Leroy Kerschen, Cimarron, Okla.
17. Julius Cox, Cox Implement Co., Boise City, Okla. 73933
18. C. C. Jobe, Tahlequah, Okla. 74464
19. Randall Kourt, 523 N. 4th St., Thomas, Okla. 73669
20. Jerry Vilhauar, Loyal, Okla. 73756
21. Robert Riddle, First National Bank, Hennessey, Okla. 73742
22. John Zizzo, 214 N. 5th St., Weatherford, Okla. 73096
23. Hugh Jones, Banker, Woodward, Okla. 73801
24. Don Schieber, Rt. 1, Box 75, Kildare, Okla. 74642
25. R. A. Lotspeich, Rt. 2, Box 40, Rosston, Okla. 73855
26. Harland Wells, 120 S. Main, Perkins, Okla. 74059
27. Bessie Cline (No address)
28. Mr. & Mrs. Harold Issacs, Guymon, Okla. 73942
29. Jimmy Wood, Farmers Home Administration, Altus, Okla. 73521
30. Jim Wesson, First National Bank, Cushing, Okla. 74023
31. Harvey Gardner, Guymon, Okla. 73942
32. Lyman Neff, Blackwell, Okla. 74631
33. Larry Pellar, El Reno, Okla. 73036
34. Melvin (Delbert) L. Meeks, Heavener, Okla. 74937

Statements Filed:

NONE

Friday, April 20, 1979
Conservation & Credit Subcommittee
Field Hearing, Enid, Oklahoma
Crop Insurance and FmHA Programs

Representative Ed Jones, Chairman, called the meeting to order and announced that witnesses testifying on crop insurance would be heard first, followed by witnesses on the Farmers Home Administration program. Representative Jones administered an oath to all witnesses and along with Representatives English and Synar questioned each witness in turn.

The meeting was adjourned about 6:30 P.M.

Robert Cashdollar

Robert Cashdollar

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date April 20, 1979

(Sub) Committee Forests

Meeting: Public Hearing - Portland, Oregon

Subject: Timber Sales

Bill Nos. H.R. 2799

The Forests (Sub) Committee met in open Session at 9:00 a.m. o'clock, in Room Council Chamber City Hall, Portland, Oregon

The following Members were present:

| | | |
|---|---|---|
| Mr. Weaver | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Joseph R. Rutledge, Subcommittee Counsel

Witnesses:

1. Mr. Ben M. Huey, Industrial Specialist (forestry), Small Business Administration, Portland, Oregon.

2. Mr. Herbert L. Haglund, Chief, Division of Resources, Bureau of Land Management, Portland, Oregon.

3. Mr. John E. Todd, Director of Timber Management, Pacific Northwest Region, U.S. Forest Service, U.S. Department of Agriculture, Portland, Oregon.

4. Dr. Richard W. Haynes, Forest Economist, Pacific Northwest Forest and Range Experiment Station, U.S. Forest Service, U.S. Department of Agriculture, Portland, Oregon.

5. Dr. John H. Beuter, Director, Department of Forest Management, School of Forestry, Oregon State University, Corvallis, Oregon.

6. Mr. Leonard B. Netzorg, attorney, Western Forest Industries Association, Portland, Oregon.

7. Mr. Arnold D. Ewing, Executive Vice President, Northwest Timber Association, Eugene, Oregon.

8. Mr. William G. Hallstrom, President, Zip-o-log Mills, Inc., Eugene, Oregon.

9. Mr. Nathan W. Coleman, President, Lane Plywood,Inc., Eugene, Oregon.

10. Mr. Joseph W. McCracken, Executive Vice President, Western Forest Industries Association, Portland, Oregon.

11. Mr. John A. Davenport, forester, Western Forest Industries Association, Portland, Oregon.

Statements Filed:

None

Witnesses Continued:

12. Mr. John K. Gram, President, Public Timber Purchasers Group, Portland, Oregon.

13. Mr. Wesley Rickard, forest management consultant, Tacoma, Washington,

14. Mr. John B. Crowell, Jr., General Counsel, Louisiana Pacific Corp., Portland, Oregon.

15. Mr. George E. Twining, attorney, International Paper Co., Longview, Washington.

16. Mr. Loren Searingen, timber buyer, Medford Corporation, Medford, Oregon.

17. Mr. R. Dennis Scott, economist, International Woodworkers of America, Portland, Oregon.

18. Mr. Lyle K. McDonald, General Manager, Linnton Plywood Co., Portland, Oregon.

19. Mr. Harold K. Olsen, timber manager, Astoria Plywood Co., Boring, Oregon.

20. Mr. James D. Criswell, timber manager, Multnomah Plywood Corp., St. Helens, Oregon.

21. Ms. Genevieve V. Garwood, Corporate Secretary and Director, Stevenson Co-Ply, Inc., Stevenson, Washington.

22. Mr. Lawrence D. Malloy, Executive Vice President, Worker-Owner Plywood Association, Vancouver, Washington.

23. Mr. Gerald R. McChesney, head electrician and President, Fort Vancouver Plywood Co., Vancouver, Washington.

24. Mr. Darrell H. Schroeder, Stimson Lumber Co., Portland, Oregon.

25. Mr. Ted S. Young, timberlands manager, Brooks Scanlon, Inc., Bend, Oregon.

26. Mr. Owen D. Bentley, Jr., Vice President for Corporate Affairs, Brand S Corporation, Corvallis, Oregon.

April 20, 1979
Forests Subcommittee
Public Hearing - Portland, Oregon
Timber Sales
H.R. 2799

Witnesses Continued:

27. Mr. Jim M. Izett, timber manager, South Coast Lumber Co., Brookings, Oregon.

28. Mr. C. Wylie Smith, Coos Head Timber Company, Coos Bay, Oregon.

Chairman Weaver called the Subcommittee to order at 9:00 a.m. and recognized the witnesses listed above for their testimony on H.R. 2799 and related subjects. Following presentation of their statements, the witnesses were questioned by Chairman Weaver.

The Subcommittee recessed for lunch at 12:00 noon and reconvened at 1:15 p.m. Chairman Weaver adjourned the Subcommittee at 5:40 p.m. and announced that this concluded the Subcommittee's series of field hearings on H.R. 2799.

Joseph R. Rutledge
Subcommittee Counsel

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, April 24, 1979

(Sub) Committee Department Investigations, Oversight, and Research

Meeting: Public Hearing

Subject: FIFRA

Bill Nos. H.R. 3546

The Department Investigations, Oversight, and Research (Sub) Committee met in open Session at 10:00 o'clock, in Room 1302

The following Members were present:

| | | |
|---|---|---|
| Mr. de la Garza | Mr. | Mr. |
| Mr. Fithian | Mr. | Mr. |
| Mr. Wampler | Mr. | Mr. |
| Mr. Grassley | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Nick Ashmore, Staff Assistant

Witnesses:

1. Hon. Steven D. Jellinek, Assistant Administrator for Toxic Substances, Environmental Protection Agency.

2. FIFRA Scientific Advisory Panel, Environmental Protection Agency:

   Dr. Robert A. Neal, Vice Chairman, and Professor of Toxicology and Director, Center of Environmental Toxicology, Vanderbilt University School of Medicine, Nashville, Tennessee.

   Dr. John E. Davies, Member, and Chairman, Department of Epidemiology and Public Health, University of Miami School of Medicine, Miami, Florida.

3. Mr. Ralph Engel, President, Chemical Specialties Manufacturers Association, Washington, D.C.

   Acc. by: Mr. Stephen Kellner, Director, Legislative and Regulatory Affairs.

4. Mr. Joseph J. Lyman, Counsel, International Sanitary Supply Association, Washington, D.C.

5. Mr. Scott C. Whitney, Counsel, Lonza Chemical Company, Washington, D.C.

   Acc. by: Mr. Irving Gottlieb, Manager, Government Relations.

Statements Filed:

None

Tuesday, April 24, 1979
Department Investigations, Oversight,
and Research
Public Hearing
FIFRA
H.R. 3546

Chairman de la Garza called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared statements on legislation to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

At 12:00 noon the meeting was adjourned to reconvene at 2:00 p.m. this date to hear additional witnesses.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, April 24, 1979

(Sub) Committee Department Investigations, Oversight, and Research

Meeting: Public Hearing and Business Meeting

Subject: FIFRA

Bill Nos. H.R. 3546

The Department Investigations, Oversight, and Research (Sub) Committee met in open Session at 2:00 o'clock, in Room 1302

The following Members were present:

| | | |
|---|---|---|
| Mr. de la Garza | Mr. | Mr. |
| Mr. Fithian | Mr. | Mr. |
| Mr. Skelton | Mr. | Mr. |
| Mr. Wampler | Mr. | Mr. |
| Mr. Grassley | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Nick Ashmore, Staff Assistant
Tom Adams, Staff Assistant

Witnesses:

1. Dr. Jack D. Early, President, National Agricultural Chemicals Association, Washington, D.C.

   Acc. by: Mr. Jonathan P. Rogers, Mobil Chemical Company, and Chairman of the Board of Directors, National Agricultural Chemicals Association

   Mr. Kenneth Weinstein, Counsel

2. Mr. Harold M. Collins, Jr., Director of Government Affairs, National Agricultural Aviation Association, Washington, D.C.

Statements Filed:

1. Mr. James A. Graham, President, National Association of State Departments of Agriculture, Washington, D.C.

Tuesday, April 24, 1979
Department Investigations, Oversight,
and Research Subcommittee
Public Hearing and Business Meeting
H.R. 3546

Action Taken:

-- Without objection, H.R. 3546 ordered favorably reported to the full Committee.

Chairman de la Garza called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their testimony on legislation to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended. Following their presentations, the witnesses were questioned by the Members of the Subcommittee.

At 2:50 p.m. at the conclusion of the public hearing, the Subcommittee met in an open business session and considered the pending legislation. Chairman de la Garza advised that he planned to hold additional oversight on the specific issues which had been raised during the hearings. Discussion occurred on H.R. 3546. Mr. Fithian moved that the bill be ordered favorably reported to the full Committee. Without objection, the motion was agreed to and H.R. 3546 was ordered reported to the full Committee with the recommendation that it do pass in the presence of a quorum.

During the proceedings one recess was taken at 2:25 p.m. to enable Members to respond to a recorded vote on the House Floor. At 3:00 p.m. the meeting was adjourned to reconvene at 2:00 p.m. on Wednesday, April 25, to consider H.R. 3015, to repeal obsolete statutory language purporting to permit racial segregation in agricultural and mechanical arts colleges financed under the Agricultural College Act of 1890.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, April 24, 1979

(Sub) Committee on Family Farms, Rural Development, and Special Studies

Meeting: Public Hearing

Subject: President's rural development policy, and the Rural Development Policy Act

Bill Nos. H.R. 3580

The Family Farms, Rural Development, and Special Studies (Sub) Committee met in Open Session at 2:05 p.m. o'clock, in Room 1301 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. Nolan, Chairman | Mr. Wampler | Mr. |
| Mr. Akaka | Mr. Grassley | Mr. |
| Mr. Harkin | Mr. Sebelius | Mr. |
| Mr. Daschle | Mr. Thomas | Mr. |
| Mr. Anthony | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Tony Imhoff, Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Jim Swiderski, Subcommittee Staff Director
Steve Adams, Staff Assistant
Carol Dubard, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Ms. Henrietta Singletary, Deputy Assistant Secretary for Rural Development, USDA,
   accompanied by: Mr. Jenning Orr, Assistant Administrator, Single Family Housing.
   Mr. L. D. Elwell, Assistant Administrator, Multi-Family Housing.
   Mr. Dwight Calhoun, Assistant Administrator for Community Programs.
   Mr. Bob Butler, Assistant Administrator for Business and Industrial Loans.
   Mr. Jim Anderson, Deputy Director, Budget Division
   Mr. George Moore, Acting Assistant Administrator for Farm Programs
   Mr. John S. Bottum, Assistant Deputy Director, SFA-E.
2. Panel: Mr. Alfredo Navarro, President, National Rural Development and Finance Corporation.
   Mr. Joseph P. Baca, National Congress of American Indians.
3. Honorable Dale Locker, Vice Chairman, Committee on Rural Development, National Association of State Legislatures,
   accompanied by: Mr. Bob Davies, Staff Director
4. Panel: Rev. George A. Chauncey, Chairman, Interreligious Task Force on U.S. Food Policy.
   Ms. Corky Ramsay, Johnson, Kansas.
   Mr. Don Reeves, Legislative Secretary, Friends Committee on National Legislation,
   accompanied by: Ms. Chris Miller

Statements Filed:

Honorable Charles Grassley, Member of Congress from Iowa

Reverend Chauncey was granted permission for several religious denominations to submit their views to the Subcommittee.

Tuesday, April 24, 1979
Subcommittee on Family Farms, Rural Development, and Special Studies
Public Hearing
H.R. 3580

Chairman Nolan called the meeting to order and recognized the witnesses in the order listed on page 2 for their prepared statements, after which they were questioned by Members of the Subcommittee.

During the proceedings, Mr. Akaka chaired at 2:30, 3:00 and 4:30, and the hearing was recessed at 2:32, 3:45 and 4:35 so that Members could respond to recorded votes on the House Floor.

The meeting was adjourned at 4:55 p.m. to reconvene at 2:00 p.m. on April 25 to hear further testimony on the President's rural development policy and the Rural Development Policy Act.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, April 25, 1979

(Sub) Committee ~~on Family Farms, Rural Development, and~~ Special Studies

Meeting: Public Hearing

Subject: President's rural development policy and the Rural Development Policy Act

Bill Nos. H.R. 3580

The Family Farms, Rural Development, and Special Studies (Sub) Committee met in open Session at 2:00 p.m. o'clock, in Room 1301 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. Nolan, Chairman | Mr. Grassley | Mr. |
| Mr. Harkin | Mr. Sebelius | Mr. |
| Mr. Daschle | Mr. Thomas | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Gary Norton, Assistant Counsel
Bernard Brenner, Press Secretary
Jim Swiderski, Subcommittee Staff Director
Steve Adams, Staff Assistant
Carol Dubard, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Most Reverend George H. Speltz, Diocese of St. Cloud, Minnesota, for U.S. Catholic Conference,
accompanied by Mr. David M. Byers, Coordinator for Rural Issues

2. Panel:

Honorable Jim Fallin, Hancock County, Kentucky, Vice Chairman, Non-Metro Policy Committee, National Association of Regional Councils.

Honorable Lester Anderson, Blue Earth, Minnesota, for National Association of Counties

Honorable Edith Brown, Mayor, George, Washington, for American Association of Small Cities

Mr. Arnold Zogry, Subcommittee on Small Cities and Rural Development, National Governors Association

Dr. John Chafee, Project Director, Institute for Cultural Affairs, Starks, Maine

Honorable Robert Drakeford, Mayor, Carrboro, North Carolina

3. Panel:

Ms. Ruth Kobell, National Farmers Union

Ms. Ann Bornwtein, National Farmers Organization

Ms. Leatrice Benson and Mr. Lawrence Bitner, American Agriculture Movement

Ms. Marilyn Federchak, U.S. Farmers Association

Ms. Kathy Lerza, National Family Farm Coalition

(continued on page 3)

Statements Filed:

1. Most Reverend George H. Speltz
2. Mr. Mark Ritchie, Center for Rural Studies
3. Reprint of remarks by Congressman Nolan, inserted by Ms. Benson
4. Ms. Kathy Lerza, National Family Farm Coalition
5. PARITY, a publication by the U.S. Farmers Association
6. Mr. Bill Peace, Consortium for the Development of the Rural Southeast, Inc.

Wednesday, April 25, 1979
Subcommittee on Family Farms, Rural
Development, and Special Studies
Public Hearing
H.R. 3580

Witnesses (continued from page 2):

4. Panel — National Association of State Universities and Land Grant Colleges:

   Dr. Lee Kolmer, Dean of Agriculture, Iowa State University

   Mr. Jan DeYoung, Area Extension Specialist, Cooperative Extension Service, Ottuma, Iowa

   Mr. Vern Ryan, Extension Sociologist, Cooperative Extension Service, Iowa

5. Mr. Neil Sampson, Executive Vice President, National Association of Conservation Districts

6. Mr. Bill Peace, Washington Representative, Consortium for the Development of the Rural Southeast

7. Father Andy Gottschalk, Aurora, Colorado

8. Mr. Don Patterson, The Plains, Virginia

Chairman Nolan called the meeting to order at 2:00 p.m. and recognized the witnesses in the order listed for their prepared testimony. After each witness was heard, he or she answered questions from Members of the Subcommittee.

The meeting was recessed at 3:55 for 15 minutes for Members to respond to a recorded vote on the House Floor.

Members of Panel No. 4 were introduced by Congressman Harkin.

The meeting was adjourned at 6:07 p.m. to reconvene at 2:00 p.m. on Thursday April 26 for the purpose of hearing further witnesses on this subject.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, April 25, 1979

(Sub) Committee Department Investigations, Oversight and Research

Meeting: Public Hearing

Subject: Repeal of statutory language purporting to permit racial segregation in agricultural and mechanical arts colleges

Bill Nos. H.R. 3015

The Department Investigations, Oversight, and Research (Sub) Committee met in open Session at 2:00 o'clock, in Room 1302.

The following Members were present:

| | | |
|---|---|---|
| Mr. de la Garza | Mr. | Mr. |
| Mr. Wampler | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Tony Imhof, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant

Witnesses:

1. Hon. George Thomas (Mickey) Leland, Member of Congress from Texas.

The following represented their respective Departments and responded to questions:

1. Mr. Thomas S. Ronningen, Associate Deputy Director of Science and Education Administration, U.S. Department of Agriculture.

2. Mr. Albert L. Alford, Assistant Commissioner for Legislation, U.S. Office of Education, Department of Health, Education and Welfare.

Statements Filed:

None

Wednesday, April 25, 1979
Department Investigations, Oversight and Researc
Subcommittee
Public Hearing
Repeal of statutory language purporting to
permit racial segregation in agricultural
and mechanical arts colleges
H.R. 3015

Chairman de la Garza called the meeting to order and recognized Congressman Leland for his testimony on the need for the legislation. Following his statement, the witness was questioned by the Members of the Subcommittee. Chairman de la Garza asked the representatives of the Department of Agriculture and the Department of Health, Education and Welfare to comment on the legislation.

Discussion occurred on the legislation. It was decided to recess the hearing to enable the USDA, HEW, Committee legal staff and staff of Mr. Leland to consult and come up with appropriate language to reflect the intent of the legislation.

At 2:35 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, April 26, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: International Sugar Stabilization Act of 1979

Bill Nos. H.R. 2172 and related bills

The Full (~~Sub~~) Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

Mr. Foley
Mr. de la Garza
Mr. Jones (N.C.)
Mr. Jones (Tenn.)
Mr. Mathis
Mr. Rose
Mr. Richmond
Mr. Nolan
Mr. Weaver
Mr. Baldus
Mr. Harkin
Mr. Bedell
Mr. English
Mr. Fithian
Mr. Panetta
Mr. Skelton

Mr. Huckaby
Mr. Glickman
Mr. Akaka
Mr. Whitley
Mr. Coelho
Mr. Daschle
Mr. Hance
Mr. Anthony
Mr. Stenholm
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.

Mr. Wampler
Mr. Sebelius
Mr. Symms
Mr. Johnson
Mr. Madigan
Mrs. Heckler
Mr. Kelly
Mr. Grassley
Mr. Hagedorn
Mr. Coleman
Mr. Marlenee
Mr. Hopkins
Mr. Thomas
Mr.

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Gary Norton Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Susan Bell, Staff Assistant
Linda Miller, Staff Assistant
Gene Moos, Staff Analyst

From the Ways and Means Committee:
William K. Vaughan, Professional Assistant

Witnesses:

None

Statements Filed:

None

Thursday, April 26, 1979
Full Committee
Business Meeting
International Sugar Stabilization Act of 1979
H.R. 2172 and related bills

Action Taken:

-- By show of hands vote of 20 yeas-1 nay Huckaby amendment to de la Garza amendment on payments agreed to.

-- de la Garza technical amendment to de la Garza amendment approved by unanimous voice vote.

-- By unanimous voice vote de la Garza amendment to de la Garza amendment on child labor provisions approved.

-- By unanimous voice vote de la Garza amendment to de la Garza amendment relative to tariff and quota provisions agreed to.

-- de la Garza amendment to de la Garza amendment on obtaining information and confidentiality approved by unanimous voice vote.

-- de la Garza amendment to de la Garza amendment restricting waiver authority approved by unanimous voice vote.

-- Kelly amendment to de la Garza amendment on forgiveness of interest not approved by voice vote.

-- By unanimous voice vote de la Garza amendment, as amended, approved.

-- By voice vote Kelly amendment striking labor provisions not agreed to.

-- Without objection Richmond report language approved.

-- By voice vote Harkin amendment on wage standards not agreed to.

-- By voice vote Thomas amendment on monosodium glutamate approved.

-- By show of hands vote of 7 yeas-16 nays Hance amendment on workmen's compensation not approved.

-- Without objection de la Garza motion to consider all amendments adopted to H.R. 2172 as one Committee amendment agreed to.

-- By roll call vote of 29 yeas-9 nays and in the presence of a quorum H.R. 2172, amended, ordered favorably reported to the House.

Chairman Foley called the meeting to order for the purpose of continuing consideration of the International Sugar Stabilization Act of 1979. The Clerk was directed to call the roll, and the following Members responded when their names were called:

Thursday, April 26, 1979
Full Committee
Business Meeting
International Sugar Stabilization Act of 1979
H.R. 2172 and related bills

1. Mr. Baldus
2. Mr. Bedell
3. Mr. English
4. Mr. Fithian
5. Mr. Huckaby
6. Mr. Glickman
7. Mr. Akaka
8. Mr. Coelho
9. Mr. Daschle
10. Mr. Stenholm
11. Mr. Wampler
12. Mr. Sebelius
13. Mr. Johnson
14. Mr. Grassley
15. Mr. Hopkins
16. Mr. Thomas
17. Mr. Foley
18. Mr. de la Garza
19. Mr. Mathis
20. Mr. Harkin
21. Mr. Hagedorn
22. Mr. Jones (N.C.)

Twenty-two Members having responded, a quorum was established.

Mr. Wampler, the Ranking Minority Member, was recognized to introduce the new Assistant Counsel for the Minority--Mr. J. Robert Franks.

At the conclusion of the last meeting the Committee had under consideration an amendment by Mr. de la Garza (see minutes of March 21 for copy of pending de la Garza amendment). Mr. Huckaby offered and explained the attached amendment on payments to the de la Garza amendment. Discussion occurred and by a show of hands vote of 20 yeas-1 nay the Huckaby amendment was agreed to.

Mr. de la Garza offered the attached technical amendment to his pending amendment. The technical amendment had been suggested by the Administration and would clarify that costs incurred during the 12-month period October 1, 1978, to September 30, 1979, would be used for calculating adjustments in the price objective for the 1980 and 1981 sugar supply years. Discussion occurred and by a unanimous voice vote the technical amendment was agreed to.

Mr. de la Garza advised that his pending amendment had provisions relating to child labor and he would like to discuss whether or not the provision should be deleted and the Committee adopt in lieu thereof language which is in the Fair Labor Standards Act relative to child labor. (See attached material on labor provisions.) Discussion occurred and Counsel Bor advised that the language contained in the de la Garza amendment was included in the Sugar Act of 1948. The exemptions in the Fair Labor Standards Act are a little broader than those contained in the de la Garza amendment. Mr. de la Garza moved to amend his amendment by striking the special child labor provisions and substituting the provisions of the Fair Labor Standards Act with respect to child labor. By a unanimous voice vote the motion was approved.

47-987 O - 79 - 16

Thursday, April 26, 1979
Full Committee
Business Meeting
International Sugar Stabilization Act of 1979
H.R. 2172 and related bills

Mr. de la Garza offered and explained the attached amendment which was recommended by the Administration relative to the tariff and quota provisions in order to clarify and facilitate handling of the legislation. The amendment would clarify the transition or additional imposition of quota if by the tariff alone it does not meet the target price (see amendment on title II--Import Restrictions on Sugar). Discussion occurred and by a unanimous voice vote the amendment was agreed to.

Mr. de la Garza offered the attached amendments to title IV--the miscellaneous provisions of the Act, to expand the authority of the Secretary to obtain information from persons engaged in the manufacture, marketing, transportation or industrial use of sugar so that the information is not limited to the administration of titles I and II of the Act, together with a proviso on confidentiality as set forth in the attached communication from the Comptroller General. Discussion occurred on the amendments and by a unanimous voice vote the amendments were adopted.

Mr. de la Garza offered a further amendment (see attachment) to his pending amendment which would restrict the use of the waiver authority by the Secretary. By a unanimous voice vote the amendment was approved.

Mr. Kelly offered an amendment to the de la Garza amendment to strike the provision that allows forgiveness of the interest, as follows:

Page 34, strike lines 11 through 19.

Discussion occurred and by a voice vote the Kelly amendment was not approved.

By a unanimous voice vote the de la Garza amendment, as amended, was agreed to.

Mr. Kelly moved to strike title III--the labor provisions of the bill--as follows:

Page 24, line 17, strike all of Title III.

Discussion occurred and by a voice vote the amendment was not agreed to. Mr. Kelly requested a recorded vote and 2 Members raised their hands--an insufficient number to sustain the request.

Mr. Richmond offered the attached language for inclusion in the Committee report. The language would protect importers of sugar who have sugar afloat. Counsel Bor advised that the language suggested by Mr. Richmond was broader than what the Administration currently has in effect under a proclamation. The existing proclamation states that the adjusted fees

that come about in the middle of a quarter as a result of the application of fee provisions shall not apply to sugar that is exported on a bill of lading to the United States from the country of origin before the adjustment was made in the fee. He advised that the Administration would like to continue to have the flexibility to continue to protect those persons who had exported sugar prior to the time the adjustment in fee was made. Mr. Richmond stated he had no problem with the proclamation's language and would like to have it included in the Committee report. Discussion occurred and there was no objection to including the language.

Mr. Harkin offered the following amendment concerning wage standards:

> Page 19, section 205, add new section:
>
> "(e) Wage standards. Provided, That no sugar shall be imported from any country wherein the legal minimum wages in effect in such country are not being enforced for sugar growers and producers."

Discussion occurred and by a voice vote the Harkin amendment was not approved.

Mr. Thomas offered the following amendment allowing the production of monosodium glutamate:

> On page 20, line 14, strike the word "or" and insert a comma and on line 15 immediately after the word "acid" insert the words "or monosodium glutamate".

Discussion occurred and by a voice vote the Thomas amendment was approved.

Mr. Hance offered the following amendment striking the section on compensation insurance:

> Page 30, strike out lines 1 through 10, renumber sections accordingly.

Discussion occurred and by a show of hands vote of 7 yeas-16 nays the amendment was not agreed to.

Mr. de la Garza moved that the amendments adopted by H.R. 2172 be considered as one Committee amendment. Without objection the motion was agreed to.

Thursday, April 26, 1979
Full Committee
Business Meeting
International Sugar Stabilization Act of 1979
H.R. 2172 and related bills

Mr. de la Garza moved that H.R. 2172, amended, be ordered reported to the House with the recommedation that it do pass. By a voice vote the motion was agreed to. Mr. Kelly requested a recorded vote and 10 Members sustained the request. The vote follows:

YEAS

1. Mr. de la Garza
2. Mr. Bowen (proxy to Mr. Huckaby)
3. Mr. Nolan
4. Mr. Baldus
5. Mr. Harkin
6. Mr. Bedell
7. Mr. English
8. Mr. Skelton
9. Mr. Huckaby
10. Mr. Glickman
11. Mr. Coelho
12. Mr. Daschle
13. Mr. Hance
14. Mr. Anthony
15. Mr. Stenholm
16. Mr. Wampler
17. Mr. Sebelius
18. Mr. Symms (proxy to Mr. Johnson)
19. Mr. Johnson
20. Mr. Marlenee (proxy to Mr. Johnson)
21. Mr. Thomas
22. Mr. Foley
23. Mr. Jones (N.C.)
24. Mr. Jones (Tenn.)(proxy to Mr. de la Garza)
25. Mr. Mathis (proxy to Mr. Foley)
26. Mr. Brown (proxy to Mr. Foley)
27. Mr. Rose (proxy to Mr. Foley)
28. Mr. Weaver
29. Mr. Panetta

NAYS

1. Mr. Richmond
2. Mr. Fithian
3. Mr. Akaka
4. Mrs. Heckler
5. Mr. Kelly
6. Mr. Grassley (proxy to Mr. Wampler)
7. Mr. Hagedorn
8. Mr. Hopkins
9. Mr. Coleman

Thus, by a roll call vote of 29 yeas-9 nays H.R. 2172, amended, was ordered reported to the House in the presence of a quorum.

Without objection staff was given authority to make technical and clerical corrections to reflect the intent of the Committee. Members were given until noon, Wednesday, May 2, to submit any additional views for inclusion in the Committee report.

During the proceedings two recesses were taken at 11:15 a.m. and 11:55 a.m. to enable Members to respond to recorded votes on the House Floor. At 12:30 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

AMENDMENT BY MR. HUCKABY TO AMENDMENT OF MR. de la GARZA

TITLE II - Import Restrictions on Sugar

In lieu of the amendment on page 1A, line 1, of the de la Garza amendment, insert the following:

Page 8 of H.R. 2172 (Comm. Print No. 2), strike out lines 20 through 25, and page 9, strike out lines 1 through 14, and insert in lieu thereof the following:

"(b) Payments.--(1) If the assured return is not achieved in any sugar supply year that begins after September 30, 1979, the Secretary shall make payments (subject to the limitations set forth in this subsection) solely to domestic producers of sugarcane and sugar beets at the rate per pound, raw value (but not more than .50 cents per pound, raw value), equal to the amount by which the assured return for such year exceeds the greater of--

(A) the average daily price for United States raw sugar imports during such year; or

(B) the price objective for such year.

"(2) Notwithstanding any other provision of this Act, the total amount which any person engaged in the production of sugarcane or sugar beets shall be entitled to receive as a result of payments made under this section shall not exceed $50,000. The term 'payments' shall not include loans or purchases. The term 'person' as used in this paragraph shall have the same meaning as provided in regulations issued by the Secretary under section 101 of the Food and Agriculture Act of 1977, except as the Secretary may determine necessary to assure a fair and reasonable application of the limitation to persons engaged in the production of sugarcane and sugar beets.".

TITLE III - Farm Labor Provisions

On page 2, third from the last line of the de la Garza amendment, strike out "22 cents per hour" and insert in lieu thereof "10 per cent".

On page 3 of the de la Garza amendment, strike out lines 1 through 9, and insert in lieu thereof the following:

Page 25 of H.R. 2172 (Comm. Print No. 2), lines 7 and 8, strike out "in the above table" and insert in lieu thereof "as provided for in paragraph (1) of this subsection"; and

Page 25 of H.R. 2172 (Comm. Print No. 2), strike out lines 9 through 21, and page 26, strike out lines 1 through 6.

EXPLANATION

1. The amendment continues the payments of .50 cents per pound for each of the 1979-1981 sugar supply years as provided in the de la Garza amendment but requires that the payments be made solely to growers and subjects the payments to a $50,000 limitation.

2. In the interest of compromise with the Administration, the amendment provides that the premium for equipment operators shall be 10 per cent in areas where sugar accounts for at least 25 per cent of the acreage devoted to agricultural production.

3. The amendment eliminates the snapback in wage rates if a payment limitation is later added to the bill.

TECHNICAL AMENDMENT TO de la GARZA AMENDMENT

On page 1 of Mr. de la Garza's amendment change the amendment to page 7, line 13, to read as follows:

Page 7, line 13, insert before the period "except that, other than as used in sections 202(a)(3) and (4), the 1978 sugar supply year shall begin with the first supply year quarter after the date of enactment of this Act and end September 30, 1979." (New language is underlined)

Page 8, line 10, strike out "(3)" and "(2)" and insert in lieu thereof "(4)" and "(3)".

EXPLANATION:

The original amendment defines the 1978 sugar supply year to cover the period July 1-September 30, 1978, so that the Administration could protect by import fees and backup quotas provided in the bill the price objective of 15 cents per pound announced administratively for the current year.

The proposed technical clarification would make clear that costs incurred during the twelve-month period October 1, 1978, to September 30, 1979, and not during the three-month period July 1-September 30, 1978, would be used for calculating adjustments in the price objective for the 1980 and 1981 sugar supply year.

LABOR PROVISIONS - EXISTING LAW

Hourly rates

| | FLSA Sec. 6(a) | P.L. 95-113, Sec. 902 7 C.F.R. 1435.29 (42 F.R. 1478) |
|---|---|---|
| 1978 | 2.65 | 3.00 sugar beet States<br>3.00 Louisiana<br>3.30 " equipment operators<br>3.20 Florida and Texas<br>3.60 " " " equipment operators<br>-- Hawaii and Puerto Rico as required by union contract or federal or local law |
| 1979 | 2.90 | no provision |
| 1980 | 3.10 | " " |
| 1981 | 3.35 | " " |

Piece-work rates

FLSA does not explicitly cover piece-work rates but has been interpreted by the U.S. Supreme Court to require that total compensation for a week divided by the number of hours worked must be at least equivalent to minimum hourly rates. See United States v. Rosenwasser 323 U.S. 360 (1945); 29 C.F.R. 778.111.

1977 Farm Bill establishes for 1978 a schedule of per acre rates for sugar beet hoeing and weeding and requires for other sugar beet operations and for cane operations that piece-work rates be equivalent to the prescribed hourly rates. See P.L. 95-113, Sec. 902, 7 C.F.R. 1435.30 (42 F.R. 1478).

Child labor

FLSA applies since 1977 Farm Bill contains no child labor provision. FLSA Sec. 13(c)(1) and (2) establishes a general minimum age for agricultural workers of 14 years except that the minimum age is 16 years with respect to operations defined as hazardous by the Secretary of Labor (see 29 C.F.R. 570.70-.72). Children between 12 and 14 may be employed with the consent of the parents or on the farm which employs the parent. Children under 12 may be employed only on a farm owned and operated by a parent or with the parent's consent on a farm exempt from the wage and hour provisions of the Act by virtue of having used no more than 500 man days of agricultural labor during any quarter of the preceding calendar year. However, the Secretary of Labor may in certain instances permit children 10 and 11 who are permanent residents of the locality to work as agricultural hand harvest laborers for not more than eight weeks per year.

LABOR PROVISIONS

SUGAR ACT OF 1948

## TITLE III—CONDITIONAL PAYMENT PROVISIONS

### CONDITIONS OF PAYMENT

SEC. 301. The Secretary is authorized to make payments on the following conditions with respect to sugar or liquid sugar commercially recoverable from the sugar beets or sugarcane grown on a farm for the extraction of sugar or liquid sugar:

(a) That no child under the age of fourteen years shall have been employed or permitted to work on the farm, whether for gain to such child or any other person, in the production, cultivation, or harvesting of a crop of sugar beets or sugarcane with respect to which application for payment is made, except a member of the immediate family of a person who was the legal owner of not less than 40 per centum of the crop at the time such work was performed; and that no child between the ages of fourteen and sixteen years shall have been employed or permitted to do such work, whether for gain to such child or any other person, for a longer period than eight hours in any one day, except a member of the immediate family of a person who was the legal owner of not less than 40 per centum of the crop at the time such work was performed. The Secretary is authorized to make payments, notwithstanding a failure to comply with the conditions provided in this subsection, but the payments made with respect to any crop shall be subject to a deduction of $10 for each child for each day, or a portion of a day, during which such child was employed or permitted to work contrary to the foregoing provisions of this subsection. (7 U.S.C. 1131(a).)

AMENDMENTS TO H.R. 2172
(Committee Print No. 2)

TITLE II - Import Restrictions on Sugar

Page 18, strike out lines 7 through 23, and insert in lieu thereof the following:

"(a) Imposition.--At the end of the first 6 months of each sugar supply year beginning with the 1979 sugar supply year, the Secretary shall determine whether the price objective for that year will be achieved on an average basis by the special import duties in effect during that year and publish such determination in the Federal Register, together with a statement of factors which entered into the determination. If the Secretary determines that the price objective for that year will not be achieved on an average basis by the special import duties in effect during that year, the Secretary shall certify to the President such quantitative restrictions on the total amount of sugar and sugar-containing products which may be entered during the balance of that sugar supply year as the Secretary determines to be necessary to achieve, in conjunction with the special import duties imposed during the supply year concerned, the price objective for the year on an average basis. Any quantitative restrictions certified to the President shall be proclaimed by the President not later than the close of the 5th market day after the determination of the Secretary.

"(b) Review.--If any quantitative restrictions are in effect under this section, the Secretary shall review, from time to time, the effect of such restrictions and shall certify to the President such adjustments in the

restrictions as the Secretary determines are required to achieve the relevant annual market price objective. The President shall proclaim the adjustments in quantitative restrictions as certified by the Secretary, not later than the close of the 5th market day after the determination of the Secretary with a statement of the factors which entered into such determination.".

Page 19, strike out lines 3 through 8.

TITLE IV - Miscellaneous Provisions

Page 31, line 25, strike out "to effectuate the purposes of titles I and II". and insert in lieu thereof "regarding the manufacturing, marketing, transportation or industrial use of sugar and other sweeteners".

Page 32, line 4 and 5, strike out "for the administration of titles I and II".

Page 34, line 12, strike out "principal or", and "or both,".

EXPLANATION:

1. The Committee Print requires the Secretary at any time during the year that he determines the price objective will not be achieved to impose quantitative restrictions on the importation of sugar at such levels as he determines necessary to achieve, in conjunction with duties, the price objective. The Secretary is authorized to make such adjustments in quantitative restrictions as he considers necessary.

The amendment would substitute a new provision which requires the Secretary to make and publish a determination after the first six months of the sugar supply year as to whether or not the price objective for the

year will be achieved on the average during the year solely through the imposition of special import duties. If he determines that it will not be achieved, he is required to certify to the President such quantitative restrictions necessary to achieve the yearly price objective on an average basis. The amendment would also require the Secretary to periodically review the effect of quantitative restrictions which are in force and to certify to the President such adjustments the Secretary considers necessary.

2. The Committee Print authorizes the Secretary to request from persons engaged in the manufacturing, marketing, transportation or industrial use of sugar and other sweeteners regarding such information the Secretary considers necessary to administer titles I and II. The amendment expands the scope of information which may be requested to include any information regarding the manufacturing, marketing, transportation or industrial use of sugar and other sweeteners as the Secretary determines necessary.

3. The amendment similarly expands the scope of cost of production studies authorized to be conducted by the Secretary.

4. The amendment deletes a provision authorizing the Secretary to waive principal on price support loans for the 1977 and 1978 crops of sugar beets and sugarcane.

COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

RECEIVED
1979 APR -4 PM 2:30

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April 2, 1979

The Honorable Thomas S. Foley
Chairman, Committee on Agriculture
House of Representatives

Dear Mr. Chairman:

Your Committee currently has under consideration a bill, H.R. 2172, which would be cited as the International Sugar Stabilization Act of 1979. Section 403 of the bill would require the Secretary of Agriculture to conduct cost of production and other studies he deems necessary to enable him to administer the provisions of the act. Subpart (e) of Section 403 states:

> "CONFIDENTIALITY--All information that is required to be furnished to the Secretary under this section and that relates to the separate operations of the person providing the information shall be kept confidential by all officers and employees of the Department of Agriculture."

We believe that this provision should not affect the General Accounting Office's right of access to any data collected by the Department. Our Office has had problems in the past, however, in obtaining access to such types of data. To insure that our Office would have ready access to such data, we request that appropriate qualifying language be placed in Section 403(e). This could be accomplished by adding the following proviso to the confidentiality provision.

> Provided that all information obtained by the Secretary pursuant to this section shall be made available, upon request, to the Comptroller General or his delegates or employees, who shall keep such information confidential.

A similar letter is being sent to the Chairman, Subcommittee on Trade, House Committee on Ways and Means.

Sincerely yours,

Deputy Comptroller General
of the United States

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

March 21, 1979

To: Members and Staff of the House Agriculture Committee

From: Fred Richmond

Re: Exemption of chartered, loading or afloat ships from fee changes within the supply year quarter.

I request the Committee to allow staff to include report language instructing the Administration to exempt ships chartered, loading or afloat from fee changes within the supply year quarter as described in Section 203(a) and (b).

Rationale: The fee-adjustment mechanism outlined in Sec. 203(a) is basically fair. However, this section does pose a problem for importers, shippers and refiners because of the amount of lead time involved in chartering and loading a ship. Locating a vessel, giving the mandatory 15-day load notice and the actual loading itself can take anywhere from 25 to 40 days before the vessel leaves the docks. If vessels chartered, loading or afloat were exempt from such fee changes business could continue in its normal course without undue risk to importers. Most importers are headquartered in New York, where this facet of the sugar trade provides some 300 jobs.

I want to make it very clear at this juncture that the relief I am seeking cannot be compared in any way, shape or form with the loophole created by the presidential proclamation 4538 of November 11, 1977, which triggered massive imports in the fourth quarter of 1977. What I am advocating is language in the committee report that would instruct the Administration to deal equitably with this problem to keep the market orderly and prevent needless surges and drop-offs in imports. Frequent fee changes could put undue strain and pressure on the variable fee mechanism.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, April 26, 1979

(Sub) Committee Oilseeds and Rice

Meeting: Public Hearing and Business Meeting

Subject: Reduction of penalties assessed on marketings of peanuts

Bill Nos. H.R. 3575

The Oilseeds and Rice (Sub) Committee met in open Session at 2:00 o'clock, in Room 1302

The following Members were present:

| | | |
|---|---|---|
| Mr. Mathis | Mr. | Mr. |
| Mr. Jones (N.C.) | Mr. | Mr. |
| Mr. Whitley | Mr. | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. Findley | Mr. | Mr. |
| Mr. Thomas | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Glenda Temple, Clerk
Leighton Lang, Subcommittee Staff Consultant

Witnesses:

1. Mr. James M. Davis, Deputy Director, Production Adjustment Division, ASCS, U.S. Department of Agriculture.

   Acc. by: Mr. Dallas Smith, Producer Association Division, ASCS, U.S. Department of Agriculture.

   Mr. Thomas A. VonGarlem, Deputy Director, Price Support Loan Division, ASCS, U.S. Department of Agriculture.

Statements Filed:

1. Mr. H. Emmett Reynolds, Chairman, National Peanut Growers Group.

2. Mr. Carlton Butler of Virginia for the National Association of Farmer Elected Committeemen.

Thursday, April 26, 1979
Oilseeds and Rice Subcommittee
Public Hearing and Business Meeting
Reduction of penalties assessed on
marketings of peanuts
H.R. 3575

Action Taken:

-- Without objection Jones (N.C.) amendment on effective date agreed to.

-- By a unanimous voice vote and in the presence of a quorum H.R. 3575, as amended, ordered reported to the full Committee with a favorable recommendation.

Chairman Mathis called the meeting to order and recognized the Departmental witnesses for their testimony on H.R. 3575, a bill to provide the Secretary of Agriculture with flexibility in the imposition of marketing penalties for peanuts.

Discussion occurred on the legislation. Mr. Jones of North Carolina moved to amend the bill by adding on page 2, line 2, the words "beginning with the 1978 crop". Mr. Mathis suggested that an amendment would more properly go on page 1, line 5, and Mr. Jones (N.C.) reformed his amendment accordingly, as follows:

> Page 1, line 5, strike the word "The" and insert in lieu thereof "Effective beginning with the 1978 crop, the".

Discussion occurred and without objection the Jones (N.C.) amendment was agreed to. The Departmental representatives responded to questions of the Subcommittee on the legislation.

Mr. Jones (N.C.) moved that H.R. 3575, as amended, be ordered favorably reported to the full Committee. By a unanimous voice vote and in the presence of a quorum H.R. 3575, as amended, was ordered reported to the full Committee with the recommendation that it do pass.

At 2:25 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, April 26, 1979

(Sub) Committee on Family Farms, Rural Development, and Special Studies

Meeting: Public Hearing

Subject: President's rural development policy and Rural Development Policy Act

Bill Nos. H.R. 3580

The Family Farms, Rural Development, and Special Studies (Sub) Committee met in open Session at 2:10 p.m. o'clock, in Room 1301 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. Nolan, Chairman | Mr. Grassley | Mr. |
| Mr. Akaka | Mr. Sebelius | Mr. |
| Mr. Anthony | Mr. | Mr. |
| Mr. Richmond | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Jim Swiderski, Subcommittee Staff Director
Steve Adams, Staff Assistant
Carol Dubard, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Honorable Wes Watkins, Member of Congress from Oklahoma and Chairman, Congressional Rural Caucus
   Accompanied by: Mr. Frank Tsutras, Executive Director, Congressional Rural Caucus
2. Mr. William F. Murray, National Rural Electric Cooperative Association, Washington, DC
3. Mr. George Rucker, Rural America, Inc., Washington, D.C.
4. Mr. Shelby Southard, Director of Public Affairs, Cooperative League of the U.S., Washington, D.C.
5. Mr. Harold O. Wilson, Executive Director, Housing Assistance Council, Washington, D.C.
6. Mr. David Lambert, Director, Regulatory Affairs, The National Grange, Washington, D.C.
7. Mr. James Allen, Director of Advocacy, National Association of Farmworker Organizations, Washington, D.C.
   Accompanyed by: Ms. Sue Hockstetter, Rural Development Advocate
   Ms. Catherine Dennis, Rural Development Advocate
8. Mr. Arthur Lewis, President, American Bus Association, Washington, D.C.
9. Mr. John Barnett, Northern Cheyenne Research Project, Lame Deer, Montana
10. Mr. J. B. McCrummen, Olympia Hunger Action Center, Olympia, Washington
11. Mr. Otis Chapman, farmer, Scott, Arkansas
12. Mr. Jarlath Hamrock, New York State Agricultural Society, Willet, New York
13. Professor Booker T. Whatley, Small Farms Program, Tuskegee Institute, Tuskegee, Ala.
14. Mr. Jack Corman, President, National Rural Center, Washington, D.C.
    Accompanied by: Ms. Alice Hersh, Director, Health Program
    Ms. Gail Parks, Director, Education Program
    Mr. Larry Newlin, Director, Rural Transportation and Community Facilities Program

Statements Filed:

Mr. Shelby Southard, Cooperative League of the U.S. Washington, D.C.

Ms. Sue Hockstetter, Rural Development Advocate, policy paper on distribution of WIC funds to migrant farmworkers

Mr. Jarlath Hamrock, Senate Judiciary Subcommittee on Administrative Practices committee print Priorities in Agricultural Research of the U.S. Department of Agriculture

Thursday, April 26, 1979
Subcommittee on Family Farms, Rural Development, and Special Studies
Public Hearing
H.R. 3580

Chairman Nolan called the meeting order and the witnesses listed on page 2 were recognized to present their prepared testimony and answer questions from Members of the Subcommittee as appearing in the record.

During the meeting, Mr. Richmond chaired from 2:30 to 3:00; Mr. Akaka chaired from 3:00 to 3:40 and from 4:55 until the meeting was adjourned.

Acting Chairman Akaka adjourned the meeting at 5:07 p.m. to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

**MINUTES**

Date April 27, 1979

(Sub) Committee on Department Investigations, Oversight, & Research

Meeting: Public Field Hearing

Subject: Oversight Hearing on Federal Grain Inspection Service

Bill Nos. _____

The Department Investigations, Oversight, & Research (Sub) Committee met in open Session at 9:00 a.m. o'clock, in Room 7006 Federal Building Houston, Texas

The following Members were present:

| | | |
|---|---|---|
| Mr. de la Garza | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Bert Pena, Subcommittee Staff Consultant

Action taken:

Witnesses:

1. James A. McCarthy, Farmer, Rio Hondo, Texas
2. Randolph P. Moore, Vice President & General Manager, Valley Grain & Elevator Co., Harlingen, Texas
3. Lloyd N. Klaevemann, Vice President, Port Terminal Operations, Producers Grain Corp., Corpus Christi, Texas
4. Ronald J. Christopher, Assistant Vice President, West Gulf Maritime Assn., Houston, Texas
5. Charles W. Wofford, Cotton & Grain Producers of the Lower Rio Grande Valley, Raymondville, Texas
6. George I. Nicol, Manager, Port Brownsville Public Elevator, Brownsville, Texas
7. Tom M. Boyd, Jr., President, Boyd-Campbell Co., Inc., Corpus Christi, Texas (representing Corpus Christi Employers of West Gulf Maritime Assn. and testifying on behalf of West Gulf Maritime Assn.)
8. Roger Sanderfer, Manager, Port Elevator, Corpus Christi, Texas
9. Charles W. Browning, General Manager, Lyford Gin & Grain Assn., Lyford, Texas
10. Jimmie Carter, Maintenance Superintendent, Farmers Export Co., Galveston, Texas
11. Robert L. Jones, Plant Manager, Farmers Export Co., Galveston, Texas
12. Larry R. Bickman, Farmer, Odem, Texas
13. Harold E. Reese, Manager, Bunge Corporation, Galveston, Texas
14. Woodrow W. Hart, Executive Director, South Texas Cotton & Grain, Victoria, Texas
15. C. Wayne Slovacek, Vice President, Houston Operation, Union Equity Cooperative Exchange, Deer Park, Texas
16. Glen R. Naylor, Past President, South Texas Country Elevators Assn., Refugio, Texas
17. William Cotter, Regional Director for Federal Grain Inspection Service, U.S. Department of Agriculture, Dallas, Texas
18. Frank Hammond, Past President, Texas Grain & Feed Assn., Fort Worth, Texas

Statements Filed:

Senator Lloyd Bentsen

Friday, April 27, 1979
Department Investigations, Oversight,
& Research Subcommittee
Field Hearing, Houston, Texas
Oversight Hearing on Federal Grain
Inspection Service

Chairman de la Garza called the meeting to order and made an opening statement indicating the need to examine the Federal Grain Inspection Service and its operations because of the many questions that have been raised by people throughout the Nation. He emphasized that there was a need to balance existing Federal Grain Inspection Service rules and regulations with the concerns of the producers and grain elevator operators who feel that the regulations are unduly burdensome.

Testimony was heard from 18 witnesses, and there was a statement submitted by Senator Lloyd Bentsen. Chairman de la Garza closed the meeting with a statement that this Field Hearing was the initial step in the Congressional effort to review the regulations of the Federal Grain Inspection Service.

The meeting was adjourned 12:00 Noon.

Humberto Ruben Pena

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Tuesday, May 1, 1979

(Sub) Committee Conservation and Credit

Meeting: Public Hearing

Subject: Funding authorization for FmHA loan programs

Bill Nos. H.R. 3683, H.R. 2332, and related bills

The Conservation and Credit (Sub) Committee

met in open Session at 10:00 o'clock, in Room 1302.

The following Members were present:

| | | Members Also Present: |
|---|---|---|
| Mr. Jones (Tenn.) | Mr. | Mr. Hopkins |
| Mr. Glickman | Mr. | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. Baldus | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Madigan | Mr. | Mr. |
| Mr. Jeffords | Mr. | Mr. |
| Mr. Hopkins | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Bob Bor, Chief Counsel
Bob Franks, Assistant Counsel
Gary Norton, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

Witnesses:

1. Honorable Tony Coelho, Member of Congress from California.

2. Mr. Martin D. Strange, Co-Director, Center for Rural Affairs, Walthill, Nebraska.

3. Mr. Gene Wenstrom, farmer from Elbow Lake, Minnesota, representing Communicating for Agriculture, Fergus Falls, Minnesota.

4. Mr. John Valcek, Agricultural Marketing Project, Nashville, Tennessee.

5. Ms. Cathy Lerza, Coordinator, National Family Farm Coalition, Washington, D.C.

Statements Filed:

None

Tuesday, May 1, 1979
Conservation and Credit Subcommittee
Public Hearing
Funding authorization for FmHA
loan programs
H.R. 3683, H.R. 2332, and related
bills

Chairman Jones (Tenn.) called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on legislation to fund the loan programs of the Farmers Home Administration. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

At 11:30 a.m. the meeting was adjourned to reconvene at 10:00 a.m. on Wednesday, May 2, to receive testimony from the Administration and markup the legislation.

Glenda Temple

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, May 2, 1979

(Sub) Committee on Family Farms, Rural Development, and Special Studies

Meeting: Open business

Subject: Rural Development Policy Act

Bill Nos. H.R. 3580

The Family Farms, Rural Development, and Special Studies (Sub) Committee met in open Session at 10:05 a.m. o'clock, in Room 1301 LHOB.

The following Members were present:

| | | |
|---|---|---|
| Mr. Nolan, Chairman | Mr. Grassley | Mr. |
| Mr. Panetta | Mr. Sebelius | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Tony Imhoff, Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Jim Swiderski, Subcommittee Staff Director
Steve Adams, Staff Assistant
Carol Dubard, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

none

Statements Filed:

none

Wednesday, May 2, 1979
Family Farms, Rural Development, and
Special Studies Subcommittee
Open business meeting
Rural Development Policy Act

Action taken:

- Nolan technical and clarifying amendments adopted by voice vote.

- Sebelius amendments regarding strategies of the Working Group for Rural Development, and the appointment of a Rural Development Advisory Committee were adopted without objection.

- H.R. 3580, as amended, ordered reported by voice vote to full Committee.

Chairman Nolan convened the meeting for the purpose of marking up H.R. 3580, the Rural Development Policy Act of 1979.

Subcommittee Staff Director Jim Swiderski was recognized to give a summary of a section-by-section analysis of the bill. The summary and a detailed analysis are attached.

The Chairman offered technical and clarifying amendments, attached, which were adopted by voice vote. Amendments by Mr. Sebelius, also attached, were offered by the Chairman, and they were adopted without objection.

During the meeting, a ten-minute recess was held in order to allow Members to attend another Subcommittee markup in progress.

Mr. Nolan reconvened the meeting at 10:25 and recognized Mr. Grassley who moved that the bill as amended be reported to the full Committee with the recommendation that it do pass. Thus, H.R. 3580, as amended, was ordered reported by voice vote to the full Committee.

Counsel requested and was given permission to make any necessary technical and clarifying corrections.

The meeting was adjourned at 10:32, to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

H.R. 3580 #1 NOLAN

TECHNICAL AND CLARIFYING AMENDMENTS

Page 1, immediately after line 5, insert at the center of the page "FINDINGS.".

Page 2, lines 6, 9, 17, and 21, delete the period and insert in lieu thereof a semicolon.

Page 2, line 18, delete "The Congress finds that this" and insert in lieu thereof "This".

Page 2, line 22, delete "The Congress further finds that the" and insert in lieu thereof "The".

Page 2, line 23, delete "on" and insert in lieu thereof "of".

Page 2, line 24, delete the period and insert in lieu thereof "; and".

Page 3, line 1, delete "The Congress further finds that this" and insert in lieu thereof "This".

Page 3, immediately after line 6, insert at the center of the page "PURPOSE".

Page 3, line 7, delete "(7)" and insert in lieu thereof "(c)".

Page 3, line 18, immediately after "body" insert a comma.

Page 3, line 19, immediately after "Development" insert a comma.

Page 3, line 23, immediately after "Agriculture" insert "and shall meet not less than quarterly and at such other times as the Secretary may deem necessary".

Page 4, line 25, immediately after "designed" insert "specifically".

Page 6, line 7, delete "Janaury" and insert in lieu thereof "January".

Page 8, line 21, delete the commas.

Page 8, line 25, delete the comma.

Page 10, line 2, immediately after "Home" insert "and Rural Development".

Page 10, line 21, delete "may" and insert in lieu thereof "shall".

Page 10, line 22, delete "any" and insert in lieu thereof "each".

Page 12, line 17, immediately after "provide" insert "rural development" and immediately after the comma insert "rural community".

Page 12, lines 23 and 24, delete "(e) and redesignating subsection (f) as subsection (c)" and insert in lieu thereof "(f)".

Page 14, line 11, immediately after ", Guam," insert "the Commonwealth of the Northern Mariana Islands, American Samoa,".

#2 SEBELIUS

Amendment to page 5 of H.R. 3580:

Amend Subsection 607(b)(2)(C) by inserting "state and" after "improve", and "state and" after "expand education and training opportunities for".

Amendment to page 11 of H.R. 3580:

Amend Section 607 by adding the following new subsection:

"(i) Not later than six months after the date of the enactment of this Act, the President of the United States shall appoint a Rural Development Advisory Committee to provide recommendations on all aspects of rural development and otherwise assist the Working Group in its work. The Committee shall include representatives of States, regional and local units of government, farmers, rural residents, and other groups and organizations who can provide expertise in rural development matters. The Committee shall be convened during development of the strategy under subsection (b), and prior to any subsequent revision of such strategy."

H.R. 3580

RURAL DEVELOPMENT POLICY ACT OF 1979

Section-by-Section Analysis (Summary)

Section 1(a) provides that this Act may be cited as the "Rural Development Policy Act of 1979".

Subsection (b) cites findings of the Congress.

Section 2 amends the Rural Development Act of 1972 by adding a new section 607, 608, 609, 610, and 611.

Subsection (a) establishes a permanent Working Group for Rural Development to assist the Secretary of Agriculture in developing a national rural development strategy.

Subsection (b):

(1) requires the Working Group, with State and local input, to design comprehensive strategies to maximize effectiveness of Federal rural programs and to increase coordination of such programs and their effective combination with State and local resources.

(2) requires the Working Group to establish a process that identifies the needs of rural areas on a continuing basis. It also requires the first strategy developed under paragraph (1) to include the period October 1, 1981 to September 30, 1982. Each succeeding strategy covers a consecutive four-year period beginning October 1, 1982. Each such strategy must be designed to assist rural areas by reducing the incidence of poverty and discrimination, improving employment prospects and local government capabilities, strengthening the family farm, and protecting and maintaining the environment.

(3) requires the Working Group to determine whether rural areas are receiving an equitable share of the benefits of Federal programs.

(4) provides that a report on the first strategy developed under paragraph (1) be submitted to Congress no later than Jan. 31, 1981. The second and succeeding strategies must be submitted no later than Jan. 31 of the year in which the period included in such strategy begins. Each report must analyze the Administration's budget as it relates to such strategy.

(5) authorizes the Working Group to hold open hearings in developing any strategy.

(6) requires the Working Group to maximize effectiveness and coordination of Federal programs through an effort to improve cooperation among Federal agencies, eliminate program duplication, facilitate joint funding and sharing of field offices, reduce and simplify paper work, and obviate unnecessary administrative obstacles.

(7) requires the Working Group to hold hearings on any matter which significantly affects rural development either upon call of the Chair or of a majority of members.

(8) requires the Working Group to develop a systematic method of receiving and evaluating public input and information on local needs and plans.

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(9) requires the Working Group to review proposed Federal regulations affecting rural areas and allows it to submit written comments.

Subsection (c) provides that the Working Group shall consist of members holding the position of Assistant Secretary or the equivalent from 10 Federal departments and 4 agencies, and others that the Chairman may invite.

Subsection (d) provides that the Chairman shall issue such regulations as are deemed necessary to govern the functioning of the Working Group.

Subsection (e) empowers the Working Group to collect information and authorizes the Secretary of Agriculture to detail FmHA and other USDA employees and provide FmHA and other USDA funds to the Group, and to assist in establishing an office of rural development in each agency represented on the Working Group if such office is directly responsible to an agency head.

Subsection (f) allows the Secretary of Agriculture to undertake cooperative efforts with agencies represented on the Working Group and to pay a portion of their costs.

Subsection (g) requires the Working Group to report to Congress no later than January 31 of each year beginning in 1981 on the current rural development strategy with an analysis of available portions of the President's budget for the upcoming fiscal year.

Subsection (h) authorizes appropriations necessary to carry out the purposes of this section.

Section 608 amends the Organic Act of the Department of Agriculture to require the Secretary to initiate or expand research and development efforts related to solution of problems of technology appropriate to small and moderate sized family farming operations and any other problem which the Secretary may determine has an effect upon economic development or the quality of life in rural areas.

Section 609 amends section 306(a)(11) of the Consolidated Farm and Rural Development Act to increase from $10 million to $20 million the annual authorization for rural development planning grants, and broaden this program to include rural development technical assistance, rural community leadership development, and community and areawide rural development planning.

Section 610 amends section 901 of the Agricultural Act of 1970 by deleting a portion of subsection (b) and all of subsections (c), (d) and (e). The deleted provisions require submission of four separate annual reports with respect to federal rural development efforts, the function of which would be superseded by other provisions of this bill.

Section 611 amends section 331 of the Consolidated Farm and Rural Development Act by changing the name of the Farmers Home Administration to the Farmers Home and Rural Development Administration.

Section 3 amends section 503 of the Rural Development Act of 1972 to extend the Small Farm Research and Extension programs through September 30, 1981 at the existing annual authorization level of $20,000,000. (TITLE V)

Section 4 amends section 507(b) of the Rural Development Act of 1972 to add Guam and the Virgin Islands to the definition of the term "State" as it applies to Rural Development and Small Farm Research and Education programs.

Section 5 amends section 603 of the Rural Development Act of 1972 to delete the requirement that the Secretary include in his annual report under that section, information on his efforts to most efficiently utilize USDA field offices and field personnel to promote rural development.

Section 6 provides that the provisions of this Act shall become effective on October 1, 1979.

H.R. 3580

RURAL DEVELOPMENT POLICY ACT OF 1979

Section-by-Section Analysis (Detailed)

SECTION 1(a) Provides that this Act may be cited as the "Rural Development Policy Act of 1979."

(b) Cites findings of the Congress that--

(1) In section 901(a) of the Agricultural Act of 1970 (84 Stat. 1383) revitalization and development of rural areas was given the highest priority as a means of achieving a sound balance between rural and urban America which Congress termed essential to the peace, prosperity, and welfare of all our citizens.

(2) Congress passed the Rural Development Act of 1972 as a further manifestation of this commitment to rural development.

(3) In section 603(b)(4) of the Rural Development Act, Congress assigned to the Secretary of Agriculture the mission of coordinating a nationwide rural development program authorizing and directing him to provide leadership and coordination within the executive branch of all Federal rural development efforts and programs in coordination with rural development programs of State and local governments.

(4) The Congress finds that this mandate has yet to be carried out and that the need for coordination of rural development programs is even more pressing today than in 1972.

(5) The Congress further finds that the programs of many Federal departments and agencies impact on rural areas.

(6) The Congress further finds that this lack of coordination is resulting in wasteful duplication of efforts, conflicts among Federal programs, and excessive bureaucratic red tape and confusion, all of which hinder effective delivery of services and assistance to rural areas.

(7) It is therefore the purpose of this Act to facilitate effective implementation of the Congressional mandate contained in the Rural Development Act of 1972 by authorizing and directing other Federal departments and agencies with programs affecting rural development to assist the Secretary of Agriculture in carrying out his responsibilities under that Act.

SECTION 2 Amends the Rural Development Act of 1972 by adding the following new sections at the end:

"SECTION 607 (a) Establishes a permanent Working Group for Rural Development to assist the Secretary of Agriculture in the design, implementation and coordination of nationwide rural development strategies. The Working Group shall be chaired by the Secretary of Agriculture.

"(b)(1) Provides that the Working Group shall develop and recommend comprehensive strategies, based on the needs, goals, objectives, plans and recommendations of local communities, substate areas, States, and multi-state regions to--

"(A) maximize the effectiveness, increase the responsiveness and improve the delivery of Federal programs to rural areas;

"(B) increase coordination of such programs with the development needs, objectives, and resources of local communities, substate areas, states, and multistate regions; and

"(C) achieve the most effective combinations of Federal, State, and local resources to meet the needs of rural areas for orderly growth and development.

"(2) Requires the Working Group to assist the Chairman in developing and implementing a process through which such needs, goals, objectives, plans, resources, and recommendations can be identified and attained on a continuing basis. Requires the first strategy to be for October 1, 1981 to September 30, 1982, with one for each four year period after that. Each strategy must be designed to--

"(A) improve the economic well-being of all rural residents and alleviate problems of low income, elderly, minority, and otherwise disadvantaged rural residents;

"(B) improve business and employment opportunities, occupational training and employment services, health care services, educational opportunities, energy utilization and availability, housing, transportation, community services, community facilities, water supplies, sewage and solid waste management systems, credit availability, and accessibility to and delivery of private and public financial resources in the maintenance and creation of jobs in such rural areas;

"(C) improve local government management capabilities, institutions, and programs related to rural development and expand education and training opportunities for local officials, especially in small rural communities;

"(D) strengthen the family farm system; and

"(E) maintain and protect the environment and natural resources of the United States.

"(3) Requires the Working Group to conduct a systematic review of Federal programs affecting rural areas, to determine whether they are benefiting in a proportion that is equitable compared to benefits received in urban areas, and to identify any factors which may restrict accessibility to or limit participation in such programs in rural areas, and to make recommendation for appropriate corrective action if required.

"(4) Provides that the first strategy be transmitted to Congress not later than January 31, 1981, the second by January 31, 1982, and all others by January 31 of the year in which they begin. Each strategy must include an analysis of the President's budget recommendations and projections that are relevant or essential to it.

"(5) Authorizes the Working Group to hold open public hearings during preparation of the strategies, and requires consideration of recommendations received.

"(6) Requires a Working Group effort to maximize coordination and effectiveness of the various Federal programs affecting rural areas through initiation of a systematic effort to--

"(A) improve communication and encourage cooperation among Federal departments and agencies in the administration of such programs;

"(B) eliminate conflicts between such programs as well as duplication and gaps in program coverage, resolve contradictions and inconsistencies in the objectives, administration, and effects of such programs, and transmit to the President such recommendations as the Group considers necessary to carry out the provisions of this subparagraph;

"(C) facilitate sharing or common location of field offices of agencies administering similar or complementary programs and unification of delivery systems, where feasible, to maximize convenience and accessibility of such agencies and programs to rural residents;

"(D) facilitate and expedite joint funding of rural projects through such programs;

"(E) correct administrative problems in such programs that hinder the effective delivery of Federal services, assistance, and benefits to rural areas;

"(F) reduce the administrative and paperwork requirements of rural applicants under such programs;

"(G) simplify, standardize, and reduce the complexity of applications, reports, and other forms required under such programs; and

"(H) expedite processing of such applications, reports, and other forms.

"(7) Requires the Working Group to hold public hearings on any matter which the Chairman or a majority of the Working Group believe may have a significant impact on rural development or the economic development of rural communities, in order to determine such impact and to make recommendations for appropriate action. Requires the Working Group to invite public comment, and requires consideration of recommendations received.

"(8) Requires the Working Group to assist the Chairman in developing a systematic method or process through which rural development needs, goals, objectives and plans at all levels can be ascertained, recommendations can be received, and data on development needs and conditions affecting the quality of life in rural areas can be obtained and assessed on a continuing basis.

"(9) Requires the Working Group to review rules or regulations proposed by any Federal agency which have an effect on rural areas, and authorizes submission of comments or written data in regard to the impact of such rules and regulations.

"(c) Provides that the Working Group shall include representatives holding the position of Assistant Secretary or equivalent from the following departments and agencies:

| | | |
|---|---|---|
| Agriculture | Energy | Interior |
| Justice | Health, Education & Welfare | Labor |
| Commerce | Housing and Urban Development | Treasury |
| | Transportation | |
| ACTION | Community Services Administration | |
| | Environmental Protection Agency | |
| | Small Business Administration | |

Also provides that the Chairman may invite the participation of other Federal officials of comparable responsibility, with programs and policies that impact on rural development.

"(d) Provides that the Chairman shall issue such regulations as are deemed necessary to govern the functioning of the Working Group.

"(e)(1) Authorizes the Working Group to secure necessary information directly from any Federal department or agency, and requires heads of such agencies to furnish such information on request.

"(2)(A) Authorizes the Secretary to detail such personnel and administrative support services of the Farmers Home and Rural Development Administration, and other USDA agencies as necessary to assist the Working Group.

"(B) Authorizes the Secretary to assist any member of the Working Group in establishing and maintaining an office of rural development in the department or agency which such member represents. Provides that the Secretary may reimburse any such department or agency for a portion of the cost incurred in setting up and maintaining such an office, if the office, when established, is--

"(i) directly responsible to the head of such Federal department or agency;
"(ii) primarily engaged in activities related to the work of the Working Group; and
"(iii) directly involved in coordination of the rural development efforts of such Federal department or agency.

"(f) Authorizes the Secretary to undertake cooperative efforts with any Federal department or agency represented on the Working Group to improve the coordination and effectiveness of Federal programs, services, and actions affecting rural areas. Authorizes the Secretary to reimburse them for a portion of the cost incurred in such cooperative efforts.

"(g) Requires the Working Group to transmit an annual report to Congress by January 31, beginning in 1981. Each report must contain a detailed statement of the findings and conclusions of the Working Group regarding the implementation of the current strategy, any recommendations for revision of the strategy or for necessary rural development legislation. Each report must also contain an analysis of the President's budget recommendations and projections relevant or essential to the current strategy.

"(h) Authorizes appropriations necessary to carry out the purposes of this section.

"SECTION 608 Amends the Organic Act of the Department of Agriculture to require the Secretary to initiate or expand research and development efforts related to solution of problems of technology appropriate to small and moderate sized family farming operations and any other problem which

the Secretary may determine has an effect upon economic development or the quality of life in rural areas.

"SECTION 609 Amends section 306(a)(11) of the Consolidated Farm and Rural Development Act to increase from $10 million to $20 million the annual authorization for rural development planning grants, and broaden this program to include rural development technical assistance, rural community leadership development, and community and areawide rural development planning.

"SECTION 610 Amends section 901 of the Agricultural Act of 1970 by deleting a portion of subsection (b) and all of subsections (c), (d) and (e). The deleted provisions require submission of four separate annual reports with respect to federal rural development efforts, the function of which would be superseded by other provisions of this bill.

"SECTION 611 Amends section 331 of the Consolidated Farm and Rural Development Act by changing the name of the Farmers Home Administration to the Farmers Home and Rural Development Administration.

SECTION 3 Amends section 503 of the Rural Development Act of 1972 to extend the Small Farm Research and Extension programs through September 30, 1981 at the existing annual authorization level of $20,000,000. (TITLE V)

SECTION 4 Amends section 507(b) of the Rural Development Act of 1972 to add Guam and the Virgin Islands to the definition of the term "State" as it applies to Rural Development and Small Farm Research and Education programs.

SECTION 5 Amends section 603 of the Rural Development Act of 1972 to delete the requirement that the Secretary include in his annual report under that section, information on his efforts to most efficiently utilize USDA field offices and field personnel to promote rural development.

SECTION 6 Provides that the provisions of this Act shall become effective on October 1, 1979.

MAJOR DIFFERENCES BETWEEN H.R. 10885 (95th) and H.R. 3580 (96th)

1. The Rural Development Policy Act of 1978, H.R. 10885 in the 95th Congress has undergone revision and has become the Rural Development Policy Act of 1979, H.R. 3580 in the 96th Congress.

2. A new Section 1 has been added, outlining Congressional findings as to the need and purpose of the bill.

3. The Federal Rural Development Council called for in H.R. 10885 has been replaced by the Assistant Secretaries Working Group for Rural Development. This Group is in being now, and would be upgraded by this legislation. The responsibilities and duties assigned to the Council in H.R. 10885 would be assigned instead to the Working Group. This change would improve an existing body, rather than create a new one.

4. The Secretary of Agriculture would serve as Chairman of the Working Group under H.R. 3580, and would be authorized to "issue such regulations as the Chairman deems necessary to govern the functioning of the Working Group." This clearly establishes the Chairman's control of the functions of this group and clarifies the role of the Working Group in relation to the rural development policy responsibilities of the Secretary of Agriculture.

5. The duties of the Working Group would be similar to those assigned to the Council under H.R. 10885:

-- to recommend comprehensive rural development strategies based on the needs, goals, objectives, plans and recommendations of local communities, sub-State areas, States, and multi-State regions;

-- to develop a process for grassroots input on rural development policy and programs, including open hearings;

-- to review federal programs affecting rural areas to determine whether such areas are benefiting from such programs in a proportion that is equitable in comparison to the benefits received in urban areas; and

-- to maximize coordination and effectiveness of federal programs affecting rural areas, and to review the impact of federal rules and regulations on rural areas.

6. The Sections of H.R. 10885 changing the name of USDA and creating a new Under Secretary of Agriculture for Rural Development are eliminated. The name of the Farmers Home Administration would be changed to the Farmers Home and Rural Development Administration.

7. The provision in the Rural Development Grants section of H.R. 10885 that "Not more than 10 per centum of the funds awarded under this paragraph may be awarded to support the activities of the Federal Rural Development Council" is eliminated. Funding for this program would be increased from $10 million to $20 million instead of to $50 million as in H.R. 10885. In addition, the program would be broadened to allow use of the funds for rural development technical assistance, rural community leadership development, and community and areawide rural development planning.

8. The Federal Rural Development Advisory Committee is eliminated.

9. The Title V Small Farm Research and Extension programs would be extended through September 30, 1981 at the existing annual authorization level of $20 million.

10. With the exception of some other relatively minor language changes, the thrust of the Rural Development Policy Act of 1979, H.R. 3580, is basically the same as that of H.R. 10885 from the last Congress.

RICHARD NOLAN, 8TH MINN.,
CHAIRMAN
DANIEL K. AKAKA, HAWAII
TOM HARKIN, IOWA
TOM DASCHLE, S. DAK.
BERYL ANTHONY, JR., ARK.
FREDERICK W. RICHMOND, N.Y.
BERKLEY BEDELL, IOWA
LEON E. PANETTA, CALIF.

THOMAS S. FOLEY, WASH.,
EX OFFICIO MEMBER

JAMES W. SWIDERSKI,
SUBCOMMITTEE STAFF DIRECTOR

U.S. House of Representatives
Committee on Agriculture
Subcommittee on Family Farms,
Rural Development, and Special Studies
Room 1301, Longworth House Office Building
Washington, D.C. 20515

CHARLES E. GRASSLEY, IOWA,
RANKING MINORITY MEMBER
KEITH G. SEBELIUS, KANS.
E. THOMAS COLEMAN, MO.
WILLIAM M. THOMAS, CALIF.

WILLIAM C. WAMPLER, VA.,
EX OFFICIO MEMBER

ROBERT M. BOR,
CHIEF COUNSEL
JOHN E. HOGAN,
COUNSEL

April 11, 1979

Dear Friend:

On April 24, 25 and 26, 1979, the Subcommittee on Family Farms, Rural Development and Special Studies will hold hearings on H.R. 3580, the Rural Development Policy Act of 1979. The hearings are scheduled to begin at 2:00 p.m. each day in Room 1301 Longworth House Office Building, Washington, D.C. In addition, we have scheduled a formal business meeting of the Subcommittee for May 2, 1979, at 10:00 a.m. in Room 1302 Longworth, for the purpose of considering amendments to and adoption of H.R. 3580.

The purpose of this letter is to advise you of these hearings and to solicit your oral or written testimony for the consideration of the Committee. Attached you will find a copy of the text of H.R. 3580, as well as a brief explanation of the bill and suggested questions. You will also find a background paper attached to assist you with any additional comments you may wish to make on the substance of a national rural policy.

If you are interested in appearing as a witness at these hearings, or in providing written testimony for the record, please contact Jim Swiderski or Steve Adams at (202) 225-2171.

With best wishes,

Sincerely,

Richard Nolan

Richard Nolan,
Chairman

RN:jst
Enclosures

H.R. 3580

Rural Development Policy Act of 1979

The Rural Development Policy Act will provide a statutory mandate for the Assistant Secretary's Working Group for Rural Development. The present Working Group was created by executive order after the Rural Development Act of 1972 was passed. Though largely inactive since that date, it has been responsible for a number of modest "White House rural initiatives" involving the coordination of federal programs affecting rural health, water and sewer, aging, and communications. It is anticipated that an additional initiative will soon be announced on rural transportation with a more comprehensive White House rural policy announcement scheduled for release in June.

Although these initiatives have been applauded as both appropriate and long overdue, there is a concern among many that these efforts still fall far short of the need to create a separate rural development focus and commitment throughout the federal establishment. On a limited scale, with previously isolated programs, these initiatives have proven that interagency coordination is both a necessary and a practical approach.

The Rural Development Policy Act seeks to expand and strengthen this effort. The Act will establish the Working Group in law, providing it with specific powers and responsibilities and subjecting this effort to Congressional oversight.

By establishing the Working Group membership in law and by charging the Group with the articulation of both annual and four-year strategy reports, the Act accomplishes several objectives:

a. Currently only the Secretary of Agriculture has the statutory responsibility for publication of an annual "rural development progress report." This Act will place a statutory responsibility on each of the other federal agencies and departments involved in the Assistant Secretary's Working Group to also produce a rural strategy and to combine and coordinate those efforts with other agencies in a true interagency approach, which will focus on the needs of rural communities and will seek to eliminate unnecessary program gaps, overlaps, and duplications.

   As Chairman of the Working Group, the Secretary of Agriculture will have a much stronger authority and mechanism to insure compliance with this

objective. Likewise, the Congress and the public will also be able to demand more meaningful participation.

b. The present reporting responsibility requires only a generalized description of problems and activities significant to rural areas. The language of H.R. 3580 will require that a coordinated policy be announced that will coincide with two existing policy processes, i.e., the four-year agenda of each new administraton, and the annual budgetary process. The long range four-year goals and objectives strategy statement will be required to be submitted to Congress one year after each new administration takes office when such objectives and strategies are usually being developed. To insure that these goals and objectives are being pursued in good faith, an annual report based on the administration's budget request to Congress is also required.

The Act also seeks to enhance the ability of both the Department of Agriculture and of other members of the Assistant Secretary's Working Group for Rural Development to participate in this interagency coordination process by providing appropriations authority for staff and other incentives for the creation of offices of rural development in other federal agencies. These offices can serve as a source of rural expertise for agency officials as well as for providing assistance to rural communities. Under the present arrangement, a separate rural policy focus and rural development analysis efforts must compete for the staff time and resources of agencies and departments which are already committed to other statutory responsibilities, thus inhibiting development of this effort.

The Act goes to great lengths to insure that the rural development policy process established will be one that builds from the bottom up, from the local to the national level, instead of following the more traditional inclination of the federal government to force localities to respond to federal priorities and centralist bureaucratic demands. Specifically:

1. the strategy required under this Act must include a process for insuring that the needs and objectives of local governments are followed and implemented when federal dollars are spent in an area whenever possible.

2. expertise and capacity at the local level are stimulated by increasing authority for Sec. 111 rural development grants from $10 million to $20 million annually and by expanding its purposes to include technical assistance to rural communities, rural leadership development, and production of formal community and area-wide development plans.

The Act seeks to reflect the expanded rural development mission of the Farmers Home Administration by changing the name of that agency to the Farmers Home and Rural Development Administration. The Act also repeals existing reporting requirements that are either inneffective or superceded by this Act.

Finally, the Act also provides a two-year extension of the Title V Rural Development Research and Extension, and Small Farm Research and Education programs of the Extension Service which expire at the end of this fiscal year.

The focus of rural development research and extension has up until this point been primarily that of applied research at the local level. In most cases, extension personnel have responded to specific local rural development problems faced by selected rural communities and have provided applied research assistance to them in an effort to develop appropriate solutions. The program has been hampered by a strict state by state funding formula and a very limited annual appropriation of $5 million. The Department is currently in a process of revising the Title V program and will probably seek major changes in its design by next year. Consequently, the bill does not change the structure of the existing program, and provides only a two-year extension.

The Small Farm Research and Extension program which is also part of Title V was amended in the 1977 Farm Bill to provide authority to the Extension Service to hire local farmers to work as "paraprofessional" extension agents, concentrating on the practical needs of small farmers. This was based on highly successful efforts in Missouri and Texas which resulted in significant income improvement for small and limited resource farmers.

For budgetary reasons the Administration has yet to request funding for this program, despite its proven success. Recently USDA and CSA conducted regional small farm conferences around the country, and Secretary Bergland has also lanched a broad small farm policy effort within USDA which will examine methods the Department can take to improve income opportunities in this area. We believe the paraprofessional program can be an excellent complement to the Department's efforts in this area, and are hopeful that the two-year extension provided in this bill will allow USDA to initiate such an effort.

Questions you may consider addressing in your testimony are these:

1. In the absence of passage of H.R. 3580, what will insure that future rural initiatives or a future rural policy will be advanced by administrations who may prove to be less sympathetic to rural development?

2. The current Assistant Secretary's Working Group for Rural Development has been actively involved in recent "White House Rural Initiatives". Although the executive order creating the Assistant Secretary's Working Group selects the Secretary of Agriculture (Assistant Secretary for Rural Development) as chairman, much of the leadership for this effort was provided by the White House Office of Intergovernmental Coordination. Has this joint leadership effort between the White House and USDA proven to be productive or counter productive? Should chairmanship of the Assistant Secretary's Working Group remain formally with the Secretary of Agriculture, or should it be formally given to the President? What are the advantages and disadvantages of the current approach?

3. Is the dual reporting obligation for both a four-year administration strategy with annual budgetary reporting a good system? In what ways could it be improved? What can prevent this effort from turning into a "cosmetic" approach?

4. Two major problems faced by rural communities are:

   a. developing local governmental expertise in identifying and understanding the complexities of local problems and the types of solutions which are necessary and practical, and

b. dealing with the federal government establishment which is too often rigid and inflexible in program guidelines, ignorant of the realities experienced by rural communities, and laden with an urban orientation or an urban bias in the program design and objectives pursued for solution of national problems.

In the absence of passage of H.R. 3580, how can these problems be better addressed? Can the capacity of local communities be improved by the expansion of Sec. 111 envisioned in this bill? How can local capacity be improved without Sec. 111, or without passage of H.R. 3580? Will the policy development process designed in H.R. 3580 help direct rural policy to a bottom up approach? How can this effort be improved?

5. Should the design of Title V rural development research and extension be improved, and if so how? How has this program been of assistance to rural areas? How can these efforts be improved?

6. Should the Department of Agriculture request funding for Title V Small Farm Research and Education? In what other ways can the bureaucracy "reach" small farmers, and provide them with more meaningful assistance?

7. What are the critical elements necessary for a viable national rural development policy? Should agricultural policy be included in the context of a national rural effort?

Listed below are the organizations that support
The Rural Development Policy Act
H.R. 3580

National Farmers Union
National Farmers Organization
American Agriculture Movement
U.S. Farmers Association
National Rural Electric Cooperative Association
Rural America, Incorporated
Housing Assistance Council
The National Grange
American Bus Association
New York State Agricultural Society
Tuskegee Institute
National Rural Center
U.S. Catholic Conference
National Governors Association
National Association of Counties
National Association of Regional Councils
American Association of Small Cities
Institute for Cultural Affairs
National Association of State Universities and
Land Grant Colleges
National Association of Conservation Districts
Consortium for Development of the Rural Southeast U.S.
National Rural Development and Finance Corporation
National Congress of American Indians
National Conference of State Legislatures
Interreligious Taskforce on U.S. Food Policy
The Friends Committee on National Legislation
National Association of Farmworker Organizations

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, May 2, 1979

(Sub) Committee Conservation and Credit

Meeting: Public Hearing and Business Meeting

Subject: Funding authorization for FmHA .

Bill Nos. H.R. 3683

The ~~Conservation and Credit~~ (Sub) Committee met in open Session at ~~10:00~~ o'clock, in Room ~~1302~~.

The following Members were present:

| | | |
|---|---|---|
| Mr. Jones (Tenn.) | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. Brown | Mr. | Mr. |
| Mr. Richmond | Mr. | Mr. |
| Mr. Baldus | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Madigan | Mr. | Mr. |
| Mr. Marlenee | Mr. | Mr. |
| Mr. Hopkins | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Bob Bor, Chief Counsel
Gary Norton, Assistant Counsel
John Hogan, Counsel
Bob Frank, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

Witnesses:

1. Hon. Gordon Cavanaugh, Administrator, Farmers Home Administration, U.S. Department of Agriculture, Washington, D.C.

   Acc. by: Mr. Allan Brock, Deputy Administrator, Farm and Family, FmHA, USDA.

   Mr. Kenneth Latcholia, Deputy Administrator, Rural Development, FmHA, USDA.

2. Mr. Frank Tsutras, Executive Director, Congressional Rural Caucus.

3. Mr. Kirk Miller, Amrican Farm Bureau Federation, Washington, D.C.

Statements Filed:

None

Wednesday, May 2, 1979
Conservation and Credit Subcommittee
Public Hearing and Business Meeting
Funding authority for FmHA
H.R. 3683

Action Taken:

-- By show of hands vote of 9 yeas-0 nays Subcommittee approved Jones (Tenn.) substitute amendment as markup vehicle.

-- By show of hands vote of 7 yeas-1 nay previous question ordered on Panetta amendment. By voice vote Panetta amendment agreed to.

-- By show of hands vote of 8 yeas-0 nays previous question ordered on Dashcle-Jones (Tenn.) amendment. By unanimous voice vote Dashcle-Jones (Tenn.) amendment approved.

-- By unanimous voice vote previous question ordered on Glickman amendments. By unanimous voice vote Glickman amendments approved en bloc.

-- By unanimous voice vote previous question ordered on Madigan amendment. By unanimous voice vote Madigan amendment agreed to.

-- By unanimous voice vote Panetta motion to approve Jones (Tenn.) substitute amendment, as amended, approved.

-- By unanimous voice vote Glickman motion to favorably report H.R. 3683, as amended, approved in the presence of a quorum.

Chairman Jones (Tenn.) called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their testimony on legislation to authorize the loan programs of the Farmers Home Administration. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

At 10:55 a.m. at the conclusion of the hearing, the Subcommittee moved into an open business meeting for the purpose of marking up the legislation.

Mr. Jones (Tenn.) offered the attached substitute amendment (see also chart setting forth differences). Mr. Madigan moved to strike all after the enacting clause of H.R. 3683 and to insert in lieu thereof the pending Jones (Tenn.) substitute amendment. By a show of hands vote of 9 yeas-0 nays the motion was agreed to, and the Jones (Tenn.) substitute was open for amendment at any point.

Discussion occurred on the legislation. Mr. Panetta offered the attached amendment to protect the Farmers Home Administration loan programs as they are administered by the Department of Agriculture. Discussion occurred. Mr. Daschle moved the previous question and by a show of hands vote of 7 yeas-1 nay the previous question was ordered. By a voice vote the Panetta amendment was agreed to.

Wednesday, May 2, 1979
Conservation and Credit Subcommittee
Public Hearing and Business Meeting
Funding authority for FmHA
H.R. 3683

Mr. Daschle offered the attached amendment in co-sponsorship with Chairman Jones (Tenn.). The amendment would carry on the limited resource application program whereby 25 percent of operating and ownership loans would be for low income limited resource borrowers. Discussion occurred on the amendment. By a show of hands vote of 8 yeas-0 nays the previous question was ordered. By a unanimous voice vote the Daschle-Jones (Tenn.) amendment was agreed to.

Mr. Glickman offered three amendments en bloc (copies attached) to put into the statute what the FmHA has been doing to include lending authority for energy purposes. Discussion occurred on the Glickman amendments. Mr. Glickman moved the previous question on his amendments and by a unanimous voice vote the previous question was ordered. By a unanimous voice vote the Glickman amendments were agreed to.

Mr. Madigan offered the attached amendment to the limitation of authority of FmHA to make loans to communities not exceeding 10,000. The Madigan amendment would increase the population figure to 20,000. Discussion occurred on the amendment. Mr. Madigan moved the previous question on his amendment and by a unanimous voice vote the previous question was ordered. By a unanimous voice vote the Madigan amendment was approved.

Mr. Panetta moved that the Subcommittee adopt the Jones (Tenn.) substitute amendment, as amended. By a unanimous voice vote the motion was agreed to.

Mr. Glickman moved to report H.R. 3683, as amended, to the full Committee with a favorable recommendation. By a unanimous voice vote and in the presence of a quorum (10 Members present at the time the vote was taken) the motion was approved.

At 10:00 noon the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

AMENDMENT IN THE NATURE OF A SUBSTITUTE

BY MR. JONES (Tenn.) TO H.R. 3683

Page 1, line 3, strike out all after the enacting clause and insert in lieu thereof the following:

That section 346 of the Consolidated Farm and Rural Development Act is amended by inserting "(a)" after "Sec. 346." and by adding a new subsection (b) to read as follows:

"(b)(1) Loans for each of the fiscal years 1980, 1981, and 1982 are authorized to be insured, or made to be sold and insured, or guaranteed, under the Agricultural Credit Insurance Fund as follows: (A) real estate loans, $1,615,000,000, including $1,500,000,000 for farm ownership loans of which $1,400,000,000 may be for insured loans and $100,000,000 may be for guaranteed loans with authority to transfer 25 percent of such amounts between categories and $100,000,000 for water development, use, and conservation loans of which $90,000,000 may be for insured loans and $10,000,000 may be for guaranteed loans with authority to transfer 25 percent of such amounts between categories; (B) operating loans, $1,200,000,000 of which $1,150,000,000 may be for insured loans and $50,000,000 may be for guaranteed loans with authority to transfer 25 percent of such amounts between categories; and (C) emergency insured and guaranteed loans in amounts necessary to meet the needs resulting from natural disasters.

"(2) Loans for each of the fiscal years 1980, 1981, and 1982 are authorized to be insured, or made to be sold and insured, or guaranteed, under the Rural Development Insurance Fund as follows: insured water and sewer facility loans, $1,000,000,000; industrial development loans, $1,500,000,000 of which $100,000,000 may be for insured loans and $1,400,000,000 may be for guaranteed loans with authority to transfer amounts between such categories; and insured community facility loans, $500,000,000.".

FARMERS HOME ADMINISTRATION LOANS

| | 1978 Actual | 1979 Estimated | H.R. 3683 (FY 80, FY 81 and FY 82) | Jones Substitute |
|---|---|---|---|---|
| Real Estate | -- | -- | $ 867,700,000 | $1,615,000,000 |
| Farm ownership | $ 550,847,000 | $ 800,000,000 | 800,000,000 | 1,600,000,000 |
| Water Development Use and Conservation | 53,994,000 | 58,000,000 | 60,500,000 | 100,000,000 |
| (a) Soil and Water Loans | 53,553,000 | 51,000,000 | -- | -- |
| (b) Irrigation and Drainage Loans | 441,000 | 7,000,000 | -- | -- |
| Operating Loans | 780,628,000 | 825,000,000 | 700,000,000 | 1,200,000,000 |
| Emergency Loans | 3,411,808,000 | 578,000,000 | as necessary | as necessary |
| Water and Sewer Loans | 749,996,000 | 900,000,000 | 700,000,000 | 1,000,000,000 |
| Community Facility Loans | 249,997,000 | 250,000,000 | 250,000,000 | 500,000,000 |
| Business and Industrial Loans | 999,978,000 | 1,100,000,000 | 1,000,000,000 | 1,500,000,000 |

AMENDMENT BY MR. PANETTA

Insert a new paragraph (3) at the end of subsection (b) as follows:

"(3) The authority for each program provided in this subsection shall apply only for such period as the applicable program is administered by the Secretary of Agriculture.".

AMENDMENT BY MR. DASCHLE AND MR. JONES (TENN.) TO H.R. 3683

Insert at the end of section 346(b)(1) the following: "Not more than 75 percent of the insured loans authorized for farm ownership purposes and not more than 75 percent of the insured loans authorized for farm operating purposes may be for persons other than low income limited resource borrowers."

AMENDMENT TO THE OPERATING LOAN SECTION BY MR. GLICKMAN

Sec. 312(a) of the Consolidated Farm and Rural Development Act is amended by deleting "and" before (10) and inserting after the words "without assistance under this paragraph." and preceding the words "For the purposes of this subtitle"--

"and, (11) assisting farmers and ranchers in reducing their dependence on non-renewable resources by encouraging the development and construction of solar energy systems, including the modification of existing systems."

AMENDMENT TO REAL ESTATE LOAN SECTION BY MR. GLICKMAN

Paragraph (1) of Sec. 303(b) of the Consolidated Farm and Rural Development Act is amended to read--

"(1) the term "improving farms" includes, but is not limited to, the acquisition, installation, and modification of any qualified non-fossil energy system located on a family farm; and"

AMENDMENT TO RURAL INDUSTRIALIZATION ASSISTANCE PROGRAM BY MR. GLICKMAN

Section 310B(a) of the Consolidated Farm and Rural Development Act is amended at the end of the first sentence by inserting immediately before the period--

"and reducing the reliance on non-renewable energy resources by encouraging the development and construction of solar energy systems, including the modification of existing systems. For the purposes of this subsection the term "solar energy" means energy derived from sources (other than fossil fuels) and technologies included in the Federal Non-Nuclear Research and Development Act of 1974, as amended."

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, May 3, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Extension of FIFRA

Bill Nos. H.R. 3546

The Full ~~XXXX~~ (~~Sub~~) Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | | | | |
|---|---|---|---|---|---|
| Mr. | Foley | Mr. | Whitley | Mr. | Wampler |
| Mr. | de la Garza | Mr. | Coelho | Mr. | Sebelius |
| Mr. | Jones (Tenn.) | Mr. | Daschle | Mr. | Findley |
| Mr. | Mathis | Mr. | Hance | Mr. | Symms |
| Mr. | Brown | Mr. | Anthony | Mr. | Madigan |
| Mr. | Richmond | Mr. | Stenholm | Mr. | Jeffords |
| Mr. | Nolan | Mr. | | Mr. | Grassley |
| Mr. | Weaver | Mr. | | Mr. | Hagedorn |
| Mr. | Baldus | Mr. | | Mr. | Coleman |
| Mr. | Harkin | Mr. | | Mr. | Marlenee |
| Mr. | Bedell | Mr. | | Mr. | Hopkins |
| Mr. | Fithian | Mr. | | Mr. | Thomas |
| Mr. | Panetta | Mr. | | Mr. | |
| Mr. | Skelton | Mr. | | Mr. | |
| Mr. | Glickman | Mr. | | | |
| Mr. | Akaka | Mr. | | | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Gary Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Nick Ashmore, Staff Assistant
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant

Witnesses:

The following represented the Environmental Protection Agency and responded to Member's questions:

Mr. Steven D. Jellinek, Assistant Administrator for Toxic Substances, EPA.

Statements Filed:

None

Thursday, May 3, 1979
Full Committee
Business Meeting
Extension of FIFRA
H.R. 3546

Action Taken:

-- By unanimous voice vote Fithian amendment regarding certification and training program agreed to.

-- By roll call vote of 22 yeas-11 nays Mathis amendment on Mirex adopted.

-- By roll call vote of 22 yeas-14 nays Mathis amendment on legislative veto approved.

-- Without objection Mathis amendment on sunset provision reformed.

-- By show of hands vote of 17 yeas-6 nays Mathis sunset amendment agreed to.

-- By voice vote H.R. 3546, amended, ordered reported to the House in the presence of a quorum.

Chairman Foley called the meeting to order for the purpose of considering H.R. 3546, legislation to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended. Mr. de la Garza, Chairman of the Subcommittee on Department Investigations, Oversight, and Research, was recognized to explain the provisions of the bill.

Mr. Fithian was recognized to offer and explain the following amendment:

> On line 9, strike out "$62,250,000" and insert in lieu thereof: "$60,250,000, and an additional amount not in excess of $6,000,000 to provide the States for the conduct of applicator training and certification programs".

The amendment would provide funding for the certification and and training program. Mr. de la Garza advised that he had no objection to the Fithian proposal. Discussion occurred and by a unanimous voice vote the Fithian amendment was agreed to.

Mr. Mathis was recognized to offer and explain the attached amendment which would provide for the temporary emergency use of the pesticide Mirex during the 1979 and 1980 calendar years. Discussion occurred and by a show of hands vote of 12 yeas-7 nays the amendment was agreed to. Mr. Harkin requested a recorded vote and 7 Members sustained the request. The vote follows:

Thursday, May 3, 1979
Full Committee
Business Meeting
Extension of FIFRA
H.R. 3546

Y E A S

1. Mr. Jones (N.C.)(proxy to Mr. Mathis)
2. Mr. Mathis
3. Mr. Bowen (proxy to Mr. Mathis)
4. Mr. Skelton
5. Mr. Akaka (proxy to Mr. Mathis)
6. Mr. Whitley
7. Mr. Coelho
8. Mr. Hance
9. Mr. Anthony
10. Mr. Stenholm
11. Mr. Wampler
12. Mr. Sebelius
13. Mr. Madigan
14. Mr. Marlenee
15. Mr. Hopkins
16. Mr. Thomas
17. Mr. Jones (Tenn.)
18. Mr. Rose (proxy to Mr. Mathis)
19. Mr. Huckaby (proxy to Mr. Mathis)
20. Mr. Jeffords
21. Mr. Coleman
22. Mr. Symms

N A Y S

1. Mr. de la Garza
2. Mr. Baldus
3. Mr. Harkin
4. Mr. Bedell (proxy to Mr. Fithian)
5. Mr. Fithian
6. Mr. Panetta
7. Mr. Glickman
8. Mr. Daschle
9. Mr. Foley
10. Mr. Brown (proxy to Mr. Foley)
11. Mr. Weaver

Thus, by a roll call vote of 22 yeas-11 nays the Mathis amendment was agreed to.

Mr. Mathis offered and explained the attached amendment providing for legislative veto of EPA regulations within 90 calendar days of promulgation. Discussion occurred on the amendment. By a show of hands vote of 14 yeas-11 nays the amendment was agreed to. The Chairman requested a recorded vote and 7 Members sustained the request. The vote follows:

Thursday, May 3, 1979
Full Committee
Business Meeting
Extension of FIFRA
H.R. 3546

Y E A S

1. Mr. Jones (N.C.)(proxy to Mr. Mathis)
2. Mr. Jones (Tenn.)
3. Mr. Mathis
4. Mr. Bowen (proxy to Mr. Mathis)
5. Mr. Panetta (proxy to Mr. Mathis)
6. Mr. Huckaby (proxy to Mr. Mathis)
7. Mr. Whitley
8. Mr. Coelho
9. Mr. Hance
10. Mr. Anthony
11. Mr. Stenholm
12. Mr. Wampler
13. Mr. Symms
14. Mr. Madigan
15. Mr. Kelly (proxy to Mr. Wampler)
16. Mr. Hagedorn
17. Mr. Marlenee
18. Mr. Hopkins
19. Mr. Thomas
20. Mr. Johnson (proxy to Mr. Wampler)
21. Mr. Grassley (proxy to Mr. Wampler)
22. Mr. Coleman

N A Y S

1. Mr. de la Garza
2. Mr. Brown
3. Mr. Baldus
4. Mr. Harkin
5. Mr. Bedell
6. Mr. Fithian
7. Mr. Skelton
8. Mr. Glickman (proxy to Mr. Foley)
9. Mr. Daschle
10. Mr. Sebelius
11. Mr. Jeffords
12. Mr. Foley
13. Mr. Akaka (proxy to Mr. Foley)
14. Mr. Weaver

Thus, by a roll call vote of 22 yeas-14 nays the amendment was adopted.

Mr. Mathis offered and explained the following amendment which would provide a sunset provision:

> Add the following new sentence at the end of line 9: "All authorities granted under this Act shall be effective only through September 30, 1980.".

Discussion occurred on the amendment and without objection Mr. Mathis reformed his amendment to change "1980" to "1985". Discussion continued and by a show of hands vote of 17 yeas-6 nays the amendment was approved.

Mr. de la Garza moved that H.R. 3546, as amended, be ordered reported to the House with the recommendation that it do pass. By a voice vote the motion was agreed to. Mr. Harkin requested a recorded

vote and three Members--an insufficient number--supported the request. The Clerk was directed to count the Members present at the time the vote was taken (28 Members present) and a quorum was established.

Staff was given permission to make clerical and technical changes in the bill to reflect the Committee's intent, and Members were given three legislative days in which to submit additional views for inclusion in the Committee report.

At 12:22 p.m. the meeting was adjourned, to reconvene on Tuesday, May 8, for consideration of H.R. 3683 and H.R. 3580.

Glenda Temple

AMENDMENT TO H.R. 3546
OFFERED BY
MR. MATHIS

Add the following new section:

"Sec. ___. Any use, including aerial application, of the pesticide mirex shall not be prohibited under the provisions of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.) during the calendar years 1979 and 1980. Any such use shall be subject to any restriction, applicable to such pesticide, which was in effect on October 1, 1977, other than any restriction limiting the period during which such pesticide may be used, and the Administrator of the Environmental Protection Agency may not alter or otherwise change the terms of any such restriction applicable to such pesticide."

47-987 O - 79 - 20

STATEMENT OF
CONGRESSMAN DAWSON MATHIS
IN SUPPORT OF THE AMENDMENT TO
H.R. 3546
PERMITTING THE TEMPORARY, EMERGENCY USE OF THE PESTICIDE MIREX

"We are all aware that the pest [the fire ant] can disrupt agricultural practices, injure farm animals, and worst of all, inflict a burning painful sting to humans. There are many documented cases of violent reactions to the sting, which have required the hospitalization of the unfortunate victim. Parents write that aggressive ants attack their children at play. The public outcry for protection in infested areas is more than understandable." John R. Quarles, Deputy Administrator, EPA, June 26, 1975

Mr. Chairman, the amendment I am offering provides for the temporary, emergency use of the pesticide mirex during 1979 and 1980. The use of mirex would be supervised by the U.S. Department of Agriculture and the State Departments of Agriculture, which have seventeen years' experience in administering a safe program using mirex. Under the amendment, the use of mirex would be subject to strict standards set by the Environmental Protection Agency in 1977. These standards allow only 0.454 grams of mirex per acre per year. No mirex could be applied over streams, lakes, ponds, ocean areas, forests, or other environmentally sensitive areas.

The limited program I am advocating contrasts sharply with the program in existence for many years which permitted the application of ten times as much mirex on an unlimited land area. Even at the higher concentrations, mirex was always found to be safe by USDA, and the Department's findings of safety were supported by many state, federal, and university studies during 17 years of mirex use.

Despite the proven safety record of mirex, my amendment would cut the amount of mirex applied during a year's time by about one-tenth and prohibit its use in environmentally sensitive areas as I have described.

Mr. Chairman, I feel this is a responsible approach to a problem which is approaching emergency proportions in the South. My approach is in contrast to what I view as an extreme position taken by EPA, which was to ban mirex before any substitute was available. I might add that EPA led Congress and the public to believe that an effective alternative would become available when mirex was finally phased out in June, 1978. Many of us believed the Administrator when, during the House consideration of FIFRA in 1977, he said:

> "My purpose ... is to indicate our sincere commitment to expedite regulatory clearance for an alternative pesticide which as Administrator I can assure you the Agency will honor." (Congressional Record, October 31, 1977, p. H 11866)

The Deputy Administrator said:

> "I am prepared to give you my personal assurances that EPA will examine the prospects for early approval of an alternative chemical prior to the fall 1978 application period. You may be sure that the matter of a mirex substitute would receive high level attention at EPA and that procedural delays would not prevent prompt action ..." (Congressional Record, October 31, 1977, p. H 11866)

In fact, there was nothing available in the fall of 1978, which is the proper time for treating infested areas. It is now the spring of 1979 and time for treatment, but EPA has approved nothing that is

economical and effective. But, we are now told by EPA that new products, which are being used experimentally, will be available in two years.

The purpose, then, of this legislation is to alleviate conditions until the new products reach the market. I feel this amendment represents a compromise between the many people who favor an eradication program, using the higher concentrations of mirex, and EPA which insists on no program at all. This Committee was faced with a similar situation in 1973 when EPA, adopting an extremist position, refused to allow the use of DDT on the tussock moth in the Pacific Northwest, despite the emergency conditions existing. The Agriculture Committee, including some of you here today, voted 23 to 0 to allow the use of DDT for this purpose. EPA finally agreed with the Committee's position.

Mr. Chairman, I am advised that if this amendment becomes law, USDA has funding available to begin an immediate fire ant control program. Although mirex is no longer produced, I am advised that it can be made available on relatively short notice.

I urge the Committee to adopt this amendment and provide the relief that the nine southern states have requested and desperately need.

American Farm Bureau Federation

WASHINGTON OFFICE
425 13TH STREET, N.W.
WASHINGTON, D.C. 20004
AREA CODE 202 - 638-6315

CABLE ADDRESS: AMFARMBUR

May 2, 1979

Honorable Dawson Mathis
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Mathis:

Farm Bureau supports efforts to find a workable solution to eradicate the increasingly serious fire ant infestation in the Southern region of the United States. As you are aware, the imported fire ant population continues to expand rapidly and is a serious menace to crops, livestock, wildlife and residents of that area.

Although several chemicals are currently registered for the control of the imported fire ant, only mirex and its derivative, ferriamicide, have proven to be effective and economical. However, action by the Environmental Protection Agency have in effect, made these chemicals unavailable.

The State of Mississippi requested a Section 18 exemption from the provisions of FIFRA for the purpose of permitting the use of ferriamicide to control the fire ant in Mississippi. Eight other states also filed similar petitions with EPA. Many of these petitions have been pending in excess of a year and still are unanswered. We find this bureaucratic delay in response to an emergency situation to be totally unacceptable and alien to the concepts upon which the pesticide law is based.

The Farm Bureau strongly supports efforts to make safe and effective chemicals, including mirex and ferriamicide, available for fire ant control.

Sincerely,

Vernie R. Glasson

Vernie R. Glasson, Director
National Affairs

APPENDIX I

Summary

It is not possible to predict the seriousness of the imported fire ant problem in the South when Mirex can no longer be used for control after June 30, 1978. There is no insecticide registered for use that is effective and practical of application. The farmers and home owners will not have the ability to control this introduced foreign pest that will be adequate to protect against the damage of this creature to himself, his children, livestock, crops, equipment and some earthen structures such as levees, road beds and foundations. It is feared that individuals will resort to methods tried prior to the inception of the cooperative Federal, State, county and community control programs. The exception being that these practices will be magnified many times as population pressures and the areas of infestation become progressively greater and greater. Such methods include pouring gasoline and other flammable materials on the mounds and igniting and using any type insecticide or fumigant at hand. These methods are hazardous and ineffective.

The farmer who is in a near financial crisis especially, the soybean producer and the livestock grower, will have another economic impact to contend with. To note that, according to one study, only one and one-half percent of the farmers in Mississippi estimated a loss of $119,520 in crops and livestock in 1978, is an index to the loss if the farms in the nine states were included. In addition to breaking expensive equipment and loss in crops it will be difficult to employ laborers to help in the harvest. However, the real fear to rural and suburban residents alike is that children will be exposed to the fiery sting of this ant in play areas--schools, recreational grounds, ball parks and their own yards. Adults other than the farmers, more especially the home vegetable and flower gardener, will be subjected to the pest as populations become re-established in areas that have been controlled with Mirex bait since 1962.

The Federal and parallelling State quarantines will be ineffective in preventing spread if no control is available to suppress population build-up of the ant. Thus, rapid spread of the pest to new areas involving additional States can be expected.

If Mirex or another effective agent can be used, the problems associated with this pest in the areas of infestation can be minimized and the spread to non-infested areas involving additional States can be greatly reduced.

APPENDIX II

Scope of Emergency

Although there are several insecticide formulations registered for ant control, there is no material available that is effective, practical of application, safe or economically feasible to cope with the imported fire ant. This is because of the magnitude of the task due to the extensive area infested (190,000,000 acres), populations present on a given area (1 to 200 mounds per acre), and the fact that it is present in every land use other than locations covered with water.

This imported species is unique in that it is everyone's problem--rural, suburban and industrial habitats. Its presence is twofold as a pest. The ant sting is harmful to people, livestock, wildlife and fish, as well as causing economic losses to crops, gardens, pastures, landscapes, machinery, structures, especially earthen ones such as levees, roadbeds, etc.

If Mirex in every type of formulation is restricted for use as a control of this ant, it is awesome to reckon the consequence. Acknowledgment will be made of some. School grounds, play areas and home yards where children play will become too dangerous for use. Cemeteries will become hazardous for burial. These conditions existed prior to the control program. With Mirex application these areas of infestation population build-up has been limited.

Farm workers will be constantly exposed to the fiery stings of these creatures. The home vegetable and ornamental gardeners will be exposed also.

Farm equipment, especially that used for harvesting hay, soybeans, and small grain will be subjected to breakage due to the rock-like mound formation.

Livestock, especially young animals and milk cows, will be injured, and baby animals killed. Due to the sting, resulting ulcers will cause a loss of milk and a weight reduction to animals produced for food. Hay and grazing land will be reduced because of the pest and areas covered by mounds.

As the imported fire ant is an oil eating insect, it attacks planted seeds such as corn, beans, small grain and the like. Prior to the control program, it was not uncommon to see the plantings of fields of corn and beans destroyed in South Alabama where the pest had become well-established.

The levee structures, especially along the Mississippi River in Mississippi and Louisiana will be in jeopardy. As the ant spreads, leyees such as the one recently broken at Toccoa, Georgia, will be exposed to another means of weakening the dam.

It would take pages and pages to enumerate the destructiveness of this introduced foreign pest where it has become established without natural enemies to keep it in balance.

Without control, the Federal and State quarantines will be practically useless in preventing the rapid spread to all areas where it can persist. If the fire ant has a biology similar to other introduced pests, such as the boll weevil, Mexican bean beetle and others, it can be anticipated that in due time this ant can adapt for survival throughout the United States other than the desert area.

Control programs must be continued in 1979 and 1980 for the following reasons: To provide immediate relief for landowners with highly infested property, and assist in preventing spread of the IFA into presently non-infested areas.

Appendix III

HISTORY OF THE IMPORTED FIRE ANTS IN THE UNITED STATES

The imported fire ant is just what it is. There were two known introductions into Mobile, Alabama. The black ant, solenopsis richteri from Uruguay about 1918, and the red ant, solenopsis invicta from Brazil in the early thirties.

The 1918 introduction is based on specimens collected by an old retired entomologist that lived in Mobile. He noticed in the early twenties that this appeared to be a strange and new ant and it was, of course, later found to be. The ant remained somewhat dormant for several years, no doubt getting adapted to its environment.

In the late forties an imported fire ant (solenopsis invicta) began to move out into Mobile and Baldwin Counties, Alabama. It also started causing considerable damage especially to the truck crop farmers in these two counties. In the early fifties Dr. E. O. Wilson, an entomologist at Auburn and now head of the Entomology Department at Harvard, made an economical survey of the damage it was causing in these two counties. His estimate was: Crop damage in Mobile was $177,610 and in Baldwin County was $357,612.

In the early and middle fifties the ant seemed to explode, populations became heavy and they began to move in all directions. About 1952, B.P. Livingston, state entomologist of Alabama, called on USDA in Washington to help do something with this pest. Dr. P.N. Annand, the head of all aspects of insect and plant pests for the U.S., came down and made a survey with Mr. Livingston. Dr. Annand studied the location of the mounds and ecological consitions surrounding the infestation. It was believed at that time that the ant would not become established very far from the coast, therefore the federal government should not be involved.

Mobile was a good place for the imported fire ants to land in this country. For its survival temperatures, soil and other ecological conditions were good. It was bad for the U.S. because in addition to Mobile being favorable for its survival, Mobile is the center of the southern nursery growing area. These nurseries became infested through the movement of soil balls around the nursery stock. The ant was spread far and wide. Other than Mississippi, the adjoining state, the initial infestation in the other eight infested states were found at a site where nursery stock from the Mobile area had been transported. Unfortunately, most of these newly infested states involved nurseries and they in turn through the movement of their stock had spread the ant over a large area.

The red fire ant now spread through nine Southern states. A study of the red and black species biologically and economically in this country and the country of origin of each of the species shows no significant difference. We also have two fire ants that are native to the South. They are the same genus but a different species.

For some cause they have never been a problem as populations have remained very sparse. It is possible that natural enemies keep them in check. However, they are not as strong as either of the imported species, as whenever the imported fire ant moves in the native specie quickly disappears. The imported fire ant is unique in many different respects: The most obvious difference concerns the requirements of an effective insecticide. e.g. it must be slow acting so that foraging workers will acquire the toxicant and pass it along to other colony members (including the all-important queen) via trophylaxis. With all other insect pests it is highly desirable to obtain rapid kill in order to minimize damage to crops or nuisance to man and animals. Another unique characteristic of the IFA is the fact that entire colonies rather than individuals must be killed in order to obtain satisfactory control. Most pest species e.g. mosquitoes, biting flies, bollweevils, fruit flies, etc., are solitary insects. Therefore, control strategies are aimed at eliminating individual insects. Since fire ants are social insects the entire colony must be eliminated. Control of large numbers of workers (60--90%) is of no consequence, since the queen is capable of quickly replenishing the worker force. The subterranean habits and nests of the IFA creates a unique situation whereby contact insecticides (except long residual chlorinated hydrocarbons) are rendered ineffective. Fire ants have no known natural enemies (in this country) such as parasites, predators or diseases which impede population growth. Thus we must rely entirely upon chemical control in order to supress population growth at the present time.

A planned, systematic survey was made and continued as a joint effort with federal and state inspectors. Today there are approximately 190,000,000 acres infested in the nine states.

Concurrently, with the beginning of the control program, USDA promulgated a federal quarantine and each infested state followed with a parallelling state quarantine.

Appendix IV

## HISTORY OF THE IMPORTED FIRE ANT PROGRAM

As the imported fire ant became adapted to the ecological conditions of the South and populations became heavy and more wide spread the people in the infested areas began to ask for help. Finally in 1957 Congress appropriated funds to begin a control program and at the same time they promulgated a federal quarantine. The federal quarantine can prevent or govern only the movement of hazardous articles from one state to another unless the state also promulgates a quarantine, which they normally do. When a state takes quarantine action the federal and state authorities then mutually agree on the area to be placed under regulation. This is usually the area where the pest has been found plus a reasonable border based on the normal rate of natural spread during a calendar year. One of the best methods of preventing or retarding the spread of a pest is to keep the population down.

The first federal appropriation was for fiscal year 1957 and the amount was $3,000,000 annually. However, due to the federal appropriation being passed after the beginning of the fiscal year only $1.6 million were made available that year. According to the legislative bill federal funds spent on control has to be equally matched by a non-federal dollar - state, county, city, etc. The federal government does not require matching funds for survey, regulatory or research. Only a few states appropriated funds during the first few years following USDA's entering the program in 1957. The principle ones were Alabama, Georgia, Louisiana and Florida. Alabama later pulled out for a few years. Today every state that has imported fire ants has some funds available to cooperate with the federal government in an imported fire ant control program.

As the states increased their appropriations the federal government appropriation was increased. Today it is $9-1/2 million annually.

Prior to the beginning of the cooperative federal state program several of the states had tried varied methods to control the pest where it was causing most concern. The Mississippi Legislature made available funds to the State Entomologist to purchase chlordane for mound treating. This was proved unsuccessful. Alabama tried fumigating with methyl Bromide. This was also ineffective. When the first cooperative federal state control program was started 10 pounds of 10% heptachlor in granular formulation was used. This killed the imported fire ant but there was considerable damage to wildlife and to some domestic animals. In addition it was extremely expensive. Later the treatment was changed from the one treatment of 10 pounds per acre to two applications of heptachlor. This continued to cause some harm to creatures other than fire ants.

From the inception of the program chemists and entomologists were working together to find a better control for the ant. Many types of bait were tried using different attractants. For example, peanut butter with an insecticide was placed in soda straws cut in small pieces and distributed over the ground. This was an impractical way to treat. It would kill ants but, chickens and some animals would eat the material. After testing many materials the corncob grit was the choice of carrier, soybean oil the attractant and Mirex the insecticide.

Many different bait formulations were used, and in 1961, a bait consisting of corn cob prita as the carrier, soybean oil as the attractant and Mirex as the killing agent proved to be highly effective in killing the ants. Following tests by the U.S. and some State Fish and Wildlife Officials and tests by university officials to determine possible harm to domestic animals, especially milk, and to food and feed crops, it was concurred by all that it was a safe method of control.

The initial treatment using mirex bait was ten pounds of bait, consisting of o.3% mirex applied per acre. The change from heptachlor to the mirex bait began in 1962. As more research was conducted, the amount of bait was reduced to 1-1/4 pounds per acre. Following the finding that mirex persisted in the environment, thus creating a possible magnification in the food chains of some species, experimentations were begun to determine the smallest amount of technical mirex needed to get good control of the ant.

In 1977, the amount of bait applied per acre was one pound, consisting of .05% mirex, or .454 grams. This is a reduction of 2900 percent (13.62 grams to 0.454 grams) of technical mirex presently applied per acre against the amount applied when the bait was initially used. In addition, the program in the early sixties involved three applications to a given area with an interval between applications of six to nine months. The 1977 program permitted only one application per year. Because of the logistics of the operations, the usual treatment involves only one application every three years.

Actually mirex was first developed and used as a fire retardant. A material with the same chemical formulation as mirex is used today in some plastics and tars as a fire preventive.

Appendix V

## ECONOMIC LOSSES CAUSED BY FIRE ANTS

### (SURVEY IN MISSISSIPPI)

A survey was conducted in November, 1977, to establish the economic losses caused by imported fire ants in Mississippi.

Ten persons in each of the 72 counties known to have fire ant infestations were contacted by telephone by their county agricultural agents. It was significant that we had 72 people making independent surveys. The information gathered by this survey shows 268,089 acres infested out of 297,324 acres in the survey, or about 90 percent infested. There were 559 contacts which reported family members having been stung, with 108 reporting no sting experience. The money spent for medical treatment of stings and sting-related problems totaled $10,568. About 5,321 man hours were lost due to stings or treatment of stings.

The real problem was reflected in damage to agricultural equipment caused by collision with fire ant mounds or by dirt clogging the machinery which cost $41,076. Crop and livestock losses totaled $119,520.

Crop losses in harvesting soybeans and forage that resulted from raising the cutting bar to avoid the fire ant mounds were not estimated, but part of the crop was left in the field that could have been harvested if the mounds were not presented. The survey also revealed that $14,029 was spent for fire ant treatment other than mirex.

While this survey is based on a relatively small sample, it does indicate that real dollar losses exist. The survey represented about one and one half percent of the farmers of Mississippi. If the same conditions exist for other farms in Mississippi such as same crops, pastures, soils, equipment, weather, etc., some kind of extension of the results of this survey could be made. If the result of this survey is representative of the total, then it is the best indicator we have to date.

A severe economic impact on the production of crops, hay and the maintenance of pastures in the southern states will likely occur if the population infestations of fire ants are not adequately controlled. This is based on the fact that cotton, soybean, hay and pasture production costs are presently near anticipated return. Counts of 130 mounds per acre have been recorded in soybean fields, causing losses of over one (1) bushel per acre. In addition, foreign materials, about (1) percent, in soybeans at the elevator are docked from the total

sale. As much as three and one half percent foreign matter is due to fire ants in soybeans. Counts of 200 bales of hay per acre have been lost due to fire ants. Another estimate is on the economic losses caused by imported fire ants in the nine southern states for 1977 which is over $50 million.

A survey made on quail preserves in Mississippi in November, 1977, indicated that with fire ant control, the quail increased. The survey showed that fire ants kill baby quail.

AMENDMENT TO H.R. 3546
OFFERED BY
MR. MATHIS

Add the following new section:

Sec. 2. Section 25(a) of the Federal Insecticide, Fungicide, and Rodenticide Act is amended by adding the following new paragraph at the end thereof:

"(4) RULE AND REGULATION REVIEW.--

"(A) CONGRESSIONAL REVIEW.--Notwithstanding any other provision of this Act, simultaneously with promulgation or repromulgation of any rule or regulation under this Act, the Administrator shall transmit a copy thereof to the Secretary of the Senate and the Clerk of the House of Representatives. Except as provided in subparagraph (B), the rule or regulation shall not become effective, if--

"(i) within 90 calendar days of continuous session of Congress after the date of promulgation, both Houses of Congress adopt a concurrent resolution, the matter after the resolving clause of which is as follows: "That Congress disapproves the rule or regulation promulgated by the Administrator of the Environmental Protection Agency dealing with the matter of , which rule or regulation was transmitted to Congress on , the blank spaces therein being appropriately filled; or

"(ii) within 60 calendar days of continuous session of Congress after the date of promulgation, one House

of Congress adopts such a concurrent resolution and transmits such resolution to the other House, and such resolution is not disapproved by such other House within 30 calendar days of continuous session of Congress after such transmittal.

"(B) EFFECTIVE DATE.--If at the end of 60 calendar days of continuous session of Congress after the date of promulgation of a rule or regulation, no committee of either House of Congress has reported or been discharged from further consideration of a concurrent resolution disapproving the rule or regulation, and neither House has adopted such a resolution, the rule or regulation may go into effect immediately. If, within such 60 calendar days, such a committee has reported or been discharged from further consideration of such a resolution, or either House has adopted such a resolution, the rule or regulation may go into effect not sooner than 90 calendar days of continuous session of Congress after its promulgation unless disapproved as provided in subparagraph (A).

"(C) For the purposes of subparagraphs (A) and (B) of this paragraph--

"(i) continuity of session is broken only by an adjournment of Congress sine die; and

"(ii) the days on which either House is not in session because of an adjournment of more than 3 days

to a day certain are excluded in the computation of 30, 60, and 90 calendar days of continuous session of Congress.

"(D" EFFECT OF CONGRESSIONAL INACTION.--Congressional inaction on or rejection of a resolution of disapproval shall not be deemed an expression of approval of such rule.";

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Tuesday, May 8, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: FmHA Authorization; Rural Development Policy Act

Bill Nos. H.R. 3683; H.R. 2332; H.R. 3580

The Full (~~Sub~~) Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Anthony | Mr. Wampler |
| Mr. de la Garza | Mr. Stenholm | Mr. Sebelius |
| Mr. Jones (Tenn.) | Mr. | Mr. Symms |
| Mr. Mathis | Mr. | Mr. Johnson |
| Mr. Nolan | Mr. | Mr. Madigan |
| Mr. Weaver | Mr. | Mr. Jeffords |
| Mr. Baldus | Mr. | Mr. Grassley |
| Mr. Bedell | Mr. | Mr. Hagedorn |
| Mr. English | Mr. | Mr. Coleman |
| Mr. Panetta | Mr. | Mr. Marlenee |
| Mr. Skelton | Mr. | Mr. Hopkins |
| Mr. Glickman | Mr. | Mr. Thomas |
| Mr. Whitley | Mr. | Mr. |
| Mr. Coelho | Mr. | Mr. |
| Mr. Daschle | Mr. | |
| Mr. Hance | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Bob Frank, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Jim Swiderski, Subcommittee Staff Consultant
Fred Appel, Staff Assistant
Steve Adams, Staff Assistant
Wayne Fletcher, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to Member's questions:

1. Hon. Alex P. Mercure, Assistant Secretary for Rural Development, USDA, Washington, D.C.

Statements Filed:

None

Tuesday, May 8, 1979
Full Committee
Business Meeting
FmHA Authorization; Rural Development Policy Act
H.R. 3683; H.R. 2332; H.R. 3580

Action Taken:

-- Without objection Coelho amendment on aliens to H.R. 3683 approved.

-- By unanimous voice vote in the presence of a quorum H.R. 3683, as amended, ordered favorably reported to the House.

-- By voice vote Bedell amendment to Sebelius amendment to H.R. 3580 agreed to.

-- By show of hands vote of 11 yeas-4 nays Baldus amendment to Foley substitute amendment to Sebelius amendment to H.R. 3580 agreed to.

-- By voice vote Foley substitute amendment, as amended, not approved.

-- By voice vote Sebelius amendment, as amended, adopted.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

| | | | |
|---|---|---|---|
| 1. | Mr. de la Garza | 12. | Mr. Johnson |
| 2. | Mr. Jones (Tenn.) | 13. | Mr. Madigan |
| 3. | Mr. Panetta | 14. | Mr. Grassley |
| 4. | Mr. Glickman | 15. | Mr. Coleman |
| 5. | Mr. Whitley | 16. | Mr. Marlenee |
| 6. | Mr. Daschle | 17. | Mr. Foley |
| 7. | Mr. Hance | 18. | Mr. Mathis |
| 8. | Mr. Stenholm | 19. | Mr. Thomas |
| 9. | Mr. Wampler | 20. | Mr. Weaver |
| 10. | Mr. Sebelius | 21. | Mr. Anthony |
| 11. | Mr. Symms | 22. | Mr. Baldus |

Twenty-two Members having responded, a quorum was established.

Chairman Jones (Tenn.) of the Conservation and Credit Subcommittee was recognized to explain the provisions of H.R. 3683, a bill to amend the Consolidated Farm and Rural Development Act to provide funding authorization for the loan programs of the Farmers Home Administration (Subcommittee Print attached).

Tuesday, May 8, 1979
Full Committee
Business Meeting
FmHA Authorization; Rural Development Policy Act
H.R. 3683; H.R. 2332; H.R. 3580

Discussion occurred on the legislation. Chairman Foley read into the record the attached letter from the USDA concerning amendments to the bill. He asked if there were amendments to the funding levels, and no amendments were offered. The Chairman asked if there were amendments to the provision specifying that 25 percent of the funds be set aside for limited resource borrowers, and no amendments were offered. He asked if there were amendments to the population limits, and no amendments were offered.

The Chairman called for other amendments to the bill and Mr. Coelho offered the following amendment (similar to H.R. 2332) to permit disaster loans to aliens legally admitted for permanent residence:

> Insert a new paragraph (4) at the end of H.R. 3683, as amended, as follows:
>
> (4) In section 321, inserting immediately after the term "United States" the first two times it appears, the phrase "or aliens legally admitted for permanent residence".

Discussion occurred on the amendment and without objection the Coelho amendment was approved.

Mr. Bedell asked that the Department look into the 20 percent loss requirement on FmHA disaster loans and see if legislation is needed to have a loan program which provides that the loan could cover up to 80 percent of the value of the crop and give the farmer adequate loan protection to cover the cost of planting and harvesting his crop.

Mr. Jones (Tenn.) moved that H.R. 3683, as amended, be ordered reported to the House with the recommendation that it do pass. By a unanimous voice vote the motion was agreed to in the presence of a quorum (22 Members present at the time the vote was taken).

Staff was given permission to make necessary technical and clerical corrections and Members were given three days in which to submit any views for inclusion in the report.

Discussion occurred on the administration by FmHA of its loan programs and the slow servicing of loan applications.

Tuesday, May 8, 1979
Full Committee
Business Meeting
FmHA Authorization; Rural Development Policy Act
H.R. 3683; H.R. 2332; H.R. 3580

Mr. Nolan, Chairman of the Subcommittee on Family Farms, Rural Development, and Special Studies was recognized to explain the provisions of H.R. 3580, the Rural Development Policy Act. Discussion occurred on the legislation (Subcommittee Print attached).

Mr. Sebelius offered the attached amendment to authorize additional pilot projects and discussion occurred on the amendment. Mr. Bedell moved to amend the Sebelius amendment by striking in paragraph (2) the words "industrial hydrocarbons and alcohols" and inserting in lieu thereof the words "alcohol fuels". Discussion occurred and by a unanimous voice vote the Bedell amendment was agreed to.

Acting Chairman de la Garza offered on behalf of Mr. Foley the attached substitute amendment to the Sebelius amendment. Discussion occurred on the amendment and Mr. Baldus moved to amend the Foley amendment by striking item (1) and renumbering the remaining items. Discussion occurred and by a show of hands vote of 11 yeas-4 nays the Baldus amendment was agreed to. Mr. Bedell moved the previous question on the Foley amendment and by a voice vote the amendment was not approved.

By a voice vote the Sebelius amendment, as amended by the Bedell amendment, was adopted.

Mr. Marlenee offered an amendment to strike the authorization for appropriations for the Working Group for Rural Development established by section 607, as follows:

On page 11, strike lines 21 through 23.

At 12:15 p.m. the meeting was adjourned to enable Members to respond to a recorded vote on the House Floor. The pending business at the next meeting will be continued consideration of the Marlenee amendment.

Glenda Temple

APPROVED BY SUBCOMMITTEE ON CONSERVATION AND CREDIT - May 2, 1979

I

96TH CONGRESS
1ST SESSION

# H. R. 3683

To amend the Consolidated Farm and Rural Development Act.

IN THE HOUSE OF REPRESENTATIVES

APRIL 24, 1979

Mr. JONES of Tennessee (by request) introduced the following bill; which was referred to the Committee on Agriculture

# A BILL

To amend the Consolidated Farm and Rural Development Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

~~That section 346 of the Consolidated Farm and Rural Development Act is amended by inserting "(a)" after "SEC. 346." and by adding a new subsection (b) to read as follows:~~

~~"(b)(1) Loans for each of the fiscal years 1980, 1981, and 1982 are authorized to be insured, or made to be sold and insured, or guaranteed, under the Agricultural Credit Insurance Fund as follows: (A) real estate loans, $867,700,000, including $800,000,000 for farm ownership~~

~~loans of which $750,000,000 may be for insured loans and $50,000,000 may be for guaranteed loans with authority to transfer amounts between such categories and $60,500,000 for water development, use, and conservation loans of which $54,500,000 may be for insured loans and $6,000,000 may be for guaranteed loans with authority to transfer amounts between such categories; (B) operating loans, $700,000,000 of which $675,000,000 may be for insured loans and $25,000,000 may be for guaranteed loans with authority to transfer amounts between such categories; and (C) emergency insured and guaranteed loans in amounts necessary to meet the needs resulting from natural disasters.~~

~~"(2) Loans for each of the fiscal years 1980, 1981, and 1982 are authorized to be insured, or made to be sold and insured, or guaranteed, under the Rural Development Insurance Fund as follows: insured water and sewer facility loans, $700,000,000; industrial development loans, $1,000,000,000 of which $50,000,000 may be for insured loans and $950,000,000 may be for guaranteed loans with authority to transfer amounts between such categories; and insured community facility loans, $250,000,000.~~".

That the Consolidated Farm and Rural Development Act is amended by:

(1) In section 303(b), deleting paragraph (1) and inserting in lieu thereof--

"(1) the term 'improving farms' includes, but is not limited to, the acquisition, installation, and modification of any qualified non-fossil energy system located on a family farm; and";

(2) In section 310B(a), inserting at the end of the first sentence immediately before the period "and reducing the reliance on non-renewable energy resources by encouraging the development and construction of solar energy systems, including the modification of existing systems. For the purposes of this subsection the term 'solar energy' means energy derived from sources (other than fossil fuels) and technologies included in the Federal Non-Nuclear Research and Development Act of 1974, as amended";

(3) In section 312(a), deleting "and" immediately before clause (10) and inserting immediately before the period at the end of clause (10) "and, (11) assisting farmers and ranchers in reducing their dependence on non-renewable resources by encouraging the development and construction of solar energy systems, including the modification of existing systems";

(4) In section 306(a)(7) deleting "ten thousand" and inserting in lieu thereof "twenty thousand"; and

(5) In section 346, inserting "(a)" after "Sec. 346." and adding a new subsection (b)--

"(b)(1) Loans for each of the fiscal years 1980, 1981, and 1982 are authorized to be insured, or made to be sold and insured, or guaranteed, under the Agricultural Credit Insurance Fund as follows: (A) real estate loans, $1,615,000,000, including $1,500,000,000 for farm ownership loans of which $1,400,000,000 may be for insured loans and $100,000,000 may be for guaranteed loans with authority to transfer 25 percent of such amounts between categories and $100,000,000 for water development, use, and conservation loans of which $90,000,000 may be for insured loans and $10,000,000 may be for guaranteed loans with authority to transfer 25 percent of such amounts between categories; (B) operating loans, $1,200,000,000 of which $1,150,000,000 may be for insured loans and $50,000,000 may be for guaranteed loans with authority to transfer 25 percent of such amounts between categories; and (C) emergency insured and guaranteed loans

in amounts necessary to meet the needs resulting from natural disasters. Not more than 75 percent of the insured loans authorized for farm ownership purposes and not more than 75 percent of the insured loans authorized for farm operating purposes may be for persons other than low income limited resource borrowers.

"(2) Loans for each of the fiscal years 1980, 1981, and 1982 are authorized to be insured, or made to be sold and insured, or guaranteed, under the Rural Development Insurance Fund as follows: insured water and sewer facility loans, $1,000,000,000; industrial development loans, $1,500,000,000 of which $100,000,000 may be for insured loans and $1,400,000,000 may be for guaranteed loans with authority to transfer amounts between such categories; and insured community facility loans, $500,000,000.".

"(3) The authority for each program provided in this subsection shall apply only for such period as the applicable program is administered by the Secretary of Agriculture.".

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON D C 20250

May 8, 1979

Honorable Thomas S. Foley
Chairman
House Committee on Agriculture
House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

The Administration has serious concerns with H.R. 3683 which the House Committee on Agriculture is scheduled to mark-up today. The authorization levels exceed the Administration's request by more than $2 billion. We oppose these increases and urge you and the Committee to return to our recommended levels which we still believe are appropriate and sufficient to carry on a successful Farmers Home Administration program.

We also object to language which specifies a 25 percent set aside for limited resource farmers. We still believe that the Department should have the flexibility to determine the appropriate level of funding for this important and successful effort. For example, FmHA has set aside in the 1980 budget $100 million in both farm ownership and operating loans for this program.

Finally, we object to the increase in population limits which would make towns of up to 20,000 eligible for FmHA community facility loans. We believe the present 10,000 population limit appropriately targets federal assistance to communities which do not have bonding authority or other sources of funding.

I appreciate your serious consideration of these points.

Sincerely,

BOB BERGLAND
Secretary

AS REPORTED BY THE SUBCOMMITTEE ON FAMILY FARMS, RURAL DEVELOPMENT AND SPECIAL STUDIES, Wednesday, May 2, 1979.

96TH CONGRESS
1ST SESSION

# H. R. 3580

To provide for establishment and coordination of rural development policy and to extend for two years the authorization of appropriations for carrying out title V of the Rural Development Act of 1972.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 1979

Mr. NOLAN (for himself and Mr. GRASSLEY) introduced the following bill; which was referred to the Committee on Agriculture

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# A BILL

To provide for establishment and coordination of rural development policy and to extend for two years the authorization of appropriations for carrying out title V of the Rural Development Act of 1972.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SHORT TITLE

SECTION 1. (a) This Act may be cited as the "Rural Development Policy Act of 1979".

FINDINGS

(b) The Congress finds that--

(1) In section 901(a) of the Agricultural Act of 1970 (84 Stat. 1383) revitalization and development of rural areas was given the highest priority as a means of achieving a sound balance between rural and urban America which Congress termed essential to the peace, prosperity, and welfare of all our citizens,;

(2) Congress passed the Rural Development Act of 1972 as a further manifestation of this commitment to rural development,

(3) In section 603(b)(4) of the Rural Development Act, Congress assigned to the Secretary of Agriculture the mission of coordinating a nationwide rural development program authorizing and directing him to provide leadership and coordination within the executive branch of all Federal rural development efforts and programs in coordination with rural development programs of State and local governments ;

(4) ~~The Congress finds that this~~ (This) mandate has yet to be carried out and that the need for coordination of rural development programs is even more pressing today than in 1972 ;

(5) ~~The Congress further finds that the~~ (The) programs ~~of~~ (of) many Federal departments and agencies impact on rural areas ; and

(6) ~~The Congress further finds that this~~ This lack of coordination is resulting in wasteful duplication of efforts, conflicts among Federal programs, and excessive bureaucratic red tape and confusion, all of which hinder effective delivery of services and assistance to rural areas.

~~(7)~~ (c) PURPOSE It is therefore the purpose of this Act to facilitate effective implementation of the Congressional mandate contained in the Rural Development Act of 1972 by authorizing and directing other Federal departments and agencies with programs affecting rural development to assist the Secretary of Agriculture in carrying out his responsibilities under that Act.

SEC. 2. The Rural Development Act of 1972 (Public Law 92–419; 86 Stat. 657) is amended by adding at the end thereof the following new sections:

"SEC. 607. WORKING GROUP FOR RURAL DEVELOPMENT.—(a) There is hereby established a permanent body, to be known as the Working Group for Rural Development, to assist the Secretary of Agriculture in the design, implementation, and coordination of nationwide rural development strategies. The Working Group shall be chaired by the Secretary of Agriculture and shall meet not less than quarterly and at such other times as the Secretary may deem necessary.

"(b)(1) Subject to paragraph (2), the Working Group shall develop and recommend comprehensive strategies,

based on the needs, goals, objectives, plans, and recommendations of local communities, substate areas, States, and multistate regions, to—

"(A) maximize the effectiveness, increase the responsiveness, and improve the delivery of Federal programs to rural areas;

"(B) increase coordination of such programs with the development needs, objectives, and resources of local communities, substate areas, states, and multistate regions; and

"(C) achieve the most effective combinations of Federal, State, and local resources to meet the needs of rural areas for orderly growth and development.

"(2) The Working Group shall assist the Chairman in developing and implementing a process through which such needs, goals, objectives, plans, resources, and recommendations can be identified and attained on a continuing basis. The first strategy developed under paragraph (1) shall include the period beginning on October 1, 1981, and ending on September 30, 1982. Beginning on October 1, 1982, each strategy developed under paragraph (1) shall include the four-year period beginning on the first day of October of every other even-numbered year and ending on the last day of September of every other even-numbered year. Each such strategy shall be designed specifically to—

"(A) improve the economic well-being of all rural residents and alleviate problems of low income, elderly, minority, and otherwise disadvantaged rural residents;

"(B) improve business and employment opportunities, occupational training and employment services, health care services, educational opportunities, energy utilization and availability, housing, transportation, community services, community facilities, water supplies, sewage and solid waste management systems, credit availability, and accessibility to and delivery of private and public financial resources in the maintenance and creation of jobs in such rural areas;

"(C) improve (State and) local government management capabilities, institutions, and programs related to rural development and expand education and training opportunities for (State and) local officials, especially in small rural communities;

"(D) strengthen the family farm system; and

"(E) maintain and protect the environment and natural resources of the United States.

"(3) The Working Group shall conduct a systematic review of Federal programs affecting rural areas, to determine whether such areas are benefiting from such programs in a proportion that is equitable in comparison to the benefits received in urban areas, and to identify any factors which

may restrict accessibility to such programs in rural areas or limit participation in such programs, and shall make recommendations for appropriate corrective action if required.

"(4) The first strategy developed under this subsection shall be transmitted to the Congress not later than January 31, 1981. The second such strategy shall be transmitted to the Congress not later than ~~January~~ January 31, 1982. All subsequent strategies developed under this subsection shall be transmitted to the Congress by the thirty-first day of January preceding the beginning of the period which is included in such strategy. With respect to the recommendations of the President regarding the budget for the first fiscal year beginning after the date on which each such strategy is transmitted to the Congress and with respect to all of the projections of the President regarding the budgets for subsequent fiscal years which are available before such date, each such strategy shall contain an analysis of such recommendations and projections regarding the Budget as are relevant or essential to such strategy.

"(5) During preparation of any strategy described under this subsection, the Working Group may hold open hearings to receive suggestions and recommendations from the public, with the opportunity for oral and written presentations, and shall consider such suggestions, recommendations, and presentations.

"(6) The Working Group shall maximize coordination and effectiveness of the various Federal programs affecting rural areas through initiation of a systematic effort to—

"(A) improve communication and encourage cooperation among Federal departments and agencies in the administration of such programs;

"(B) eliminate conflicts between such programs as well as duplication and gaps in program coverage, resolve contradictions and inconsistencies in the objectives, administration, and effects of such programs, and transmit to the President such recommendations as the Working Group considers necessary to carry out the provisions of this subparagraph;

"(C) facilitate sharing or common location of field offices of agencies administering similar or complementary programs and unification of delivery systems, where feasible, to maximize convenience and accessibility of such agencies and programs to rural residents;

"(D) facilitate and expedite joint funding of rural projects through such programs;

"(E) correct administrative problems in such programs that hinder the effective delivery of Federal services, assistance, and benefits to rural areas;

"(F) reduce the administrative and paperwork requirements of rural applicants under such programs;

"(G) simplify, standardize, and reduce the complexity of applications, reports, and other forms required under such programs; and

"(H) expedite processing of such applications, reports, and other forms.

"(7) The Working Group shall hold public hearings on any matter which the Chairman or a majority of the Working Group believe may have a significant impact on rural development or the economic development of rural communities, in order to determine such impact and to make recommendations for appropriate action. The Working Group shall invite public comments, suggestions, and oral and written presentations on such matters, and shall consider such comments, suggestions, and presentations in making its recommendations.

"(8) The Working Group shall assist the Chairman in developing a systematic method or process through which local, substate, State, and multistate rural development needs, goals, objectives, and plans can be ascertained, rural development recommendations can be received, and information and data on development needs and conditions affecting the quality of life in rural areas can be obtained and assessed on a continuing basis.

"(9) The Working Group shall review, and may submit comments or written data in regard to the impact of rules or

regulations proposed by any Federal agency which have an effect upon rural areas of the United States.

"(c) The Working Group shall include representatives holding the position of Assistant Secretary or equivalent from the following departments and agencies: the Departments of Agriculture; Justice; Commerce; Energy; Health, Education, and Welfare; Housing and Urban Development; Interior; Labor; Transportation; and Treasury; ACTION; the Community Services Administration; the Environmental Protection Agency; and the Small Business Administration. The Chairman may invite the participation of such other Federal officials of comparable responsibility as the Chairman determines are responsible for programs and policies that impact on rural development.

"(d) The Chairman shall issue such regulations as the Chairman may deem necessary to govern the functioning of the Working Group.

"(e)(1) Subject to the provisions of section 552a of title 5, United States Code, the Working Group may secure directly from any Federal department or agency information necessary to enable it to carry out its duties under this section. Upon request of the Chairman, the head of any such Federal department or agency shall furnish such information to the Working Group.

"(2)(A) The Secretary may detail such personnel and administrative support services of the Farmers Home and Rural Development Administration and of other agencies of the Department of Agriculture as he considers necessary to assist the Working Group in carrying out its duties under this section.

"(B) The Secretary may assist any member of the Working Group in establishing and maintaining an office of rural development within the Federal department or agency which such member represents. The Secretary may reimburse such Federal department or agency for a portion of the cost incurred by such Federal department or agency in establishing and maintaining such office if such office, when established, is—

"(i) directly responsible to the head of such Federal department or agency;

"(ii) primarily engaged in activities related to the work of the Working Group; and

"(iii) directly involved in coordination of the rural development efforts of such Federal department or agency.

"(f) The Secretary ~~may~~ shall undertake cooperative efforts with ~~any~~ each Federal department or agency represented on the Working Group to improve the coordination and effectiveness of Federal programs, services, and actions affecting rural areas. The Secretary may reimburse such Federal depart-

ment or agency for a portion of the cost incurred in such cooperative efforts.

"(g) The Working Group shall transmit to each House of the Congress an annual report not later than January 31 of each calendar year beginning after 1981. Each such report shall contain a detailed statement of the findings and conclusions of the Working Group regarding the implementation, during the previous fiscal year, of the current strategy developed by the Working Group under subsection (b), any recommendations of the Working Group for revision of such strategy, and any recommended legislation to improve the rural development effort of the Federal Government. With respect to the recommendations of the President regarding the budget for the first fiscal year beginning after the date on which each such report is transmitted to the Congress and with respect to all of the projections of the President regarding the budget for subsequent fiscal years which are available before such date, each such report shall contain an analysis of such recommendations and projections regarding the budget which are relevant or essential to such strategy.

"(h) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

"(i) Not later than six months after the date of the enactment of the Rural Development Policy Act of 1979, the President of the United States shall appoint a Rural Development Advisory Committee to provide recommendations on all aspects of rural development and otherwise assist the Working Group in its work. The Committee shall include representatives of States, regional and local units of government, farmers, rural residents, and other groups and organizations who can provide expertise in rural development matters. The Committee shall be convened during development of the strategy under subsection (b), and prior to any subsequent revision of such strategy.

"SEC. 608. DUTIES OF THE SECRETARY.—Section 526(b) of the Revised Statutes (7 U.S.C. 2204(b)) is amended by—

"(1) striking out the second sentence thereof;

"(2) striking out 'and' after 'rural housing,'; and

"(3) striking out the period at the end thereof and inserting ', and technology appropriate to small and moderate-sized family farming operations and any other problem which the Secretary may determine has an effect upon economic development or the quality of life in rural areas.'

"SEC. 609. RURAL DEVELOPMENT GRANTS.—Section 306(a)(11) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)) is amended to read as follows: 'The Secretary may make grants, not to exceed $20,000,000 annually to public bodies or such other agencies as he may select to provide (rural development) technical assistance, (rural community) leadership development, and community and areawide rural development planning'.

"SEC. 610. Section 901 of the Agricultural Act of 1970 (Public Law 91-524; 84 Stat. 1383; 42 U.S.C. 3122) is amended (1) by striking out the last sentence of subsection (b) thereof, and (2) by striking out subsections (c) through (e) and redesignating subsection (f) as subsection (c).

"SEC. 611. FARMERS HOME AND RURAL DEVELOPMENT ADMINISTRATION.—(a) Section 331 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981) is amended by striking out 'Farmers Home Administration,' and inserting in lieu thereof 'Farmers Home and Rural Development Administration,'.

"(b) Any reference in any other Federal law to the Farmers Home Administration or the Administrator of the Farmers Home Administration shall be deemed to be a reference to the Farmers Home and Rural Development Administration or the Administrator of the Farmers Home and Rural Development Administration, respectively.

"(c) The Administrator of the Farmers Home Administration on the effective date of this Act shall not have to be reappointed to such office by reason of the amendments made by this section.

"(d) On the effective date of this Act, the Farmers Home and Rural Development Administration shall succeed to all the rights, duties, powers, and obligations of the Farmers Home Administration.".

EXTENSION OF TITLE V

SEC. 3. Section 503 of the Rural Development Act of 1972 (7 U.S.C. 2663) is amended—

(1) in subsection (a) by striking out "three" and "1979" and inserting in lieu thereof "five" and "1981"; and

(2) in subsection (c) by striking out "and September 30, 1979" and inserting in lieu thereof "September 30, 1979, September 30, 1980, and September 30, 1981".

RURAL DEVELOPMENT AND SMALL FARM RESEARCH AND EDUCATION

SEC. 4. Section 507(b) of the Rural Development Act of 1972 (7 U.S.C. 2667(b)) is amended by inserting ", Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the Virgin Islands," after "several States".

SEC. 5. Section 603(c) of the Rural Development Act of 1972 (7 U.S.C. 2204a) is amended—

(1) by striking out paragraph (2); and

(2) in paragraph (1), by striking out "(1)" after "(c)" and by redesignating subparagraphs (A) and (B), including all references thereto, as paragraphs (1) and (2) respectively.

EFFECTIVE DATE

SEC. 6. The provisions of this Act shall become effective on October 1, 1979.

Amendment to H.R. 3580

Offered by Mr. Sebelius

On page 14, between lines 12 and 13, add a new section 5 to read as follows, and renumber subsequent sections accordingly:

SEC. 5. Section 509(b) of the Rural Development Act of 1972 (7 U.S.C. 2669(b)) is amended by --

(1) inserting "(1)" after the subsection designation; and

(2) adding at the end thereof a new paragraph (2) as follows:

"(2) The Secretary shall, in addition to the pilot projects required under paragraph (1) of this subsection, provide for pilot projects for the production of industrial hydrocarbons and alcohols from agricultural commodities and forest products by guaranteeing loans, the total amount of which shall not exceed $180,000,000, to public, private, or cooperative organizations organized for profit or nonprofit, or to individuals for a term not to exceed twenty years at a rate of interest agreed upon by the borrower and lender."

Amend the title so as to read: "A bill to provide for establishment and coordination of rural development policy and to extend for two years the authorization of appropriations for carrying out Title V of the Rural Development Act of 1972, and for other purposes."

Explanation

This amendment would authorize additional pilot projects for the production of industrial hydrocarbons and alcohols from agricultural commodities and forest products. The Food and Agriculture Act of 1977 (Section 1420) authorized four pilot project loan guarantees from the Commodity Credit Corporation not to exceed $15 million each. This amendment would authorize additional loan guarantees up to a maximum of $180 million.

AMENDMENT OFFERED BY MR. FOLEY

Immediately following "SEC. 2" insert "(a)" and at the end thereof add the following:

"(b) Section 509(c) of the Rural Development Act of 1972 is amended to read as follows:

'(c) The Secretary shall require for any loans guaranteed under this section (1) that the energy contained in the fuel products produced shall exceed the energy contained in the fossil fuels used to produce the fuel products, including the energy contained in the fossil fuels used to produce the agricultural or forestry feedstocks consumed in the manufacture of the fuel products; (2) that no petroleum or natural gas be used as a process or boiler fuel in the manufacture of the fuels products; and (3) such other conditions as the Secretary deems appropriate to achieve the purposes of this section. The amount of a feedstock consumed in the manufacture of the fuel products shall be determined by its loss of fuel, food or feed value.'"

This amendment clarifies and tightens the energy balance requirement of the guaranteed loan program by requiring that fossil fuel used producing crops be considered, and by specifying how the value of the byproducts are to be counted. An example with one bushel of corn:

| | |
|---|---|
| Fuel to grow (fertilizer and oil) | 107,000 BTU's |
| Conversion to Alcohol (fossil fuel) | 370,000 BTU's |
| Energy produced (2.6 gal. Alcohol) | 218,000 BTU's |
| Feed value of 17 lbs. of DDG compared to 1 bu corn | 41% |
| Feed Value consumed | 59% |
| Fossil Energy used is 107,000 x 59% + 370,000 = | 433,000 |
| Energy produced is | 218,000 |

This plant then has an unfavorable fossil fuel balance, and would not qualify for a guaranteed loan.

Another example where corn stalks are used to provide a significant portion of the fuel follows:

| | |
|---|---|
| Fuel to grow (fertilizer and oil) | 107,000 BTU's |
| Conversion to Alcohol (100,000 coal (270,000 corn stalks) | 370,000 BTU's |
| Energy produced (2.6 gal. Alcohol) | 218,000 BTU's |
| Feed value of 17 lbs. of DDG compared to 1 bu. corn | 41% |
| Feed value consumed | 59% |
| Fossil Energy used is 107,000 x 59% + 100,000 = | 163,000 |
| Energy produced is | 218,000 |

This plant then has a favorable fossil fuel balance, and would qualify for a guaranteed loan.

It also satisfies the non-petroleum and natural gas requirement by using coal.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, May 9, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Food Stamps

Bill Nos. H.R. 2412

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee met in open Session at 10:00 o'clock, in Room 1302.

The following Members were present:

| | | |
|---|---|---|
| Mr. Richmond | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Symms | Mr. | Mr. |
| Mr. Grassley | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |

Members Also Present:

Mr. Whitley
Mr. Anthony
Mr. Findley
Mr. Coleman

Staff present:

Fowler C. West, Staff Director
John Kramer, Special Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Mary Jarratt, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture:

1. Hon. James Williams, Deputy Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C.

   Acc. by: Mrs. Carol Tucker Foreman, Assistant Secretary of Agriculture for Food and Consumer Services, U.S. Department of Agriculture, Washington, D.C.

   Mr. Robert Greenstein, Acting Administrator, Food and Nutrition Service, U.S. Department of Agriculture, Washington, D.C.

   Mr. David de Ferranti, Director, Policy, Planning and Evaluation, Food and Nutrition Service, U.S. Department of Agriculture, Washington, D.C.

The following represented the Congressional Budget Office and responded to Member's questions:

1. Mr. Bill Hoagland, Staff Analyst, Congressional Budget Office, Washington, D.C.

Statements Filed:

None

Wednesday, May 9, 1979
Domestic Marketing, Consumer Relations,
and Nutrition Subcommittee
Public Hearing
Food Stamps
H.R. 2412

Chairman Richmond called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on the need to lift the Food Stamp cap. Following their presentation, the witnesses were questioned by the Members of the Subcommittee.

At 12:08 p.m. the meeting was adjourned to reconvene on Thursday, May 10, 1979, for further consideration of the pending legislation.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, May 9, 1979

Joint
(Sub) Committee Conservation and Credit; Forests; Department Investigations, Oversight, and Research

Meeting: Public Hearing

Subject: Reorganization Plan

Bill Nos.

The Joint (Sub) Committee s

met in open Session at 2:00 o'clock, in Room 1301

The following Members were present:

| Department Investigations: | Forests: | Conservation and Credit: |
|---|---|---|
| Mr. de la Garza | Mr. Weaver | Mr. Jones (Tenn.) |
| Mr. Brown | Mr. Anthony | Mr. Harkin |
| Mr. Wampler | Mr. Johnson | Mr. Brown |
| Mr. | Mr. | Mr. Baldus |
| Mr. | Mr. | Mr. Daschle |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

John Hogan, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bert Pena, Subcommittee Staff Consultant
Bob Cashdollar, Subcommittee Staff Consultant
Dennis LeMaster, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Rita DiSimone, Staff Assistant
Tom Adams, Staff Assistant

Witnesses:

1. Mr. Walter John, Executive Director, Organization of Professional Employees of the U.S. Department of Agriculture, Washington, D.C.

2. Mr. J. Walter Myers, Jr., Executive Vice President, Forest Farmers Association, Atlanta, Georgia.

3. Mr. C. W. Moody, National Association of State Foresters, Washington, D.C.

   Acc. by: Mr. Boyd L. Rasmussen, Washington Representative.

4. Mr. Neil Sampson, Executive Vice President, National Association of Conservation Districts, Washington, D.C.

5. Dr. Fred B. Knight, Director of the School of Forest Resources, University of Maine, in behalf of the Association of State College and University Forestry Research Organizations.

6. Mr. Rexford A. Resler, Executive Vice President, American Forestry Association, Washington, D.C.

7. Mr. Clare Hendee, Society for Range Management, Denver, Colorado.

8. Mr. James F. O'Donnell, Northwest Pine Association, Spokane, Washington.

Statements Filed:

1. Mr. Daniel A. Poole, President, Wildlife Management Institute, Washington, D.C.

2. Mr. James A. Graham, President, National Association of State Departments of Agriculture.

3. Mr. Edward C. Crafts.

4. Mr. Richard E. McArdle.

5. Mr. Leonard Kunzman, State Department of Agriculture, Salem, Oregon.

6. Statement by Marion Clawson and William F. Hyde presented at Duke University Symposium on Reorganization.

Wednesday, May 9, 1979
Conservation and Credit, Forests, and
Department Investigations, Oversight,
and Research Subcommittees
Joint Public Hearing
Reorganization Plan

Chairman de la Garza called the meeting to order and the witnesses listed on page 2 were recognized for their formal presentations on the President's reorganization plan for a proposed Department of Natural Resources. Following presentation of their testimony, the witnesses were questioned by the Members of the Subcommittees.

During the proceedings two recesses were taken at 2:05 p.m. and 3:30 p.m. to enable Members to respond to recorded votes on the House Floor. At 4:25 p.m. the meeting was adjourned to reconvene at 2:00 p.m. on Thursday, May 10.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Thursday, May 10, 1979

(Sub) Committee Domestic Marketing, Consumer Relations and Nutrition

Meeting: Business

Subject: Food Stamps

Bill Nos. H.R. 2412

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee

met in ~~open~~ Session at ~~10:00~~ o'clock, in Room 1302.

The following Members were present:

| | | |
|---|---|---|
| Mr. Richmond | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Nolan | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Akaka | Mr. | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. Heckler | Mr. | Mr. |
| Mr. Grassley | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Kramer, Special Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Tony Imhof, Assistant Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Mary Jarratt, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to Member's questions on the Food Stamp Program:

1. Mr. Robert Greenstein, Acting Administrator, Food and Nutrition Service, U.S. Department of Agriculture, Washington, D.C.

Statements Filed:

None

Thursday, May 10, 1979
Domestic Marketing, Consumer
Relations, and Nutrition Subcommittee
Business Meeting
Food Stamps
H.R. 2412

Action Taken:

-- Without objection Richmond substitute amendment approved as markup vehicle.

-- By roll call vote of 3 yeas-5 nays Grassley amendment raising cap not agreed to.

-- By unanimous voice vote Glickman amendment raising cap approved.

-- By roll call vote of 6 yeas-2 nays H.R. 2412, as amended, ordered reported to the full Committee in the presence of a quorum.

Chairman Richmond called the meeting to order for the purpose of markup of H.R. 2412, a bill to amend section 18 of the Food Stamp Act of 1977.

Counsel Kramer was recognized to explain the provisions and purpose of the bill. Attached are charts which were submitted pursuant to questions of the Subcommittee.

Mr. Richmond offered the attached substitute amendment and without objection it was open for amendment at any point.

Mr. Grassley offered an amendment to raise the cap on the food stamp program to the figure reflected in the Simon amendment to the Third Concurrent Resolution on the Budget which was adopted by the House, as follows:

> Strike all in lines 8 through 11 and insert in lieu thereof: "not in excess of $6,674,000,000".

Discussion occurred on the amendment, and Mr. Grassley requested a recorded vote on the amendment. The vote follows:

Y E A S

1. Mr. Symms (proxy to Mr. Grassley)
2. Mrs. Heckler (proxy to Mr. Grassley)
3. Mr. Grassley

Thursday, May 10, 1979
Domestic Marketing, Consumer Relations and Nutrition Subcommittee
Business Meeting
Food Stamps
H.R. 2412

N A Y S

1. Mr. Nolan
2. Mr. Glickman
3. Mr. Akaka
4. Mr. Harkin
5. Mr. Richmond

Thus, by a roll call vote of 3 yeas-5 nays the Grassley amendment was not agreed to.

Mr. Glickman offered an amendment to raise the food stamp cap to $6,808,900,000. Discussion occurred and by a unanimous voice vote the amendment was approved.

Mr. Grassley requested a recorded vote on the reporting of the bill, as amended, to the full Committee, and the vote follows:

Y E A S

1. Mr. Nolan
2. Mr. Glickman
3. Mr. Akaka
4. Mr. Harkin
5. Mrs. Heckler (proxy to Mr. Glickman)
6. Mr. Richmond

N A Y S

1. Mr. Symms (proxy to Mr. Grassley)
2. Mr. Grassley

Thus, by a roll call vote of 6 yeas-2 nays H.R. 2412, as amended, ordered favorably reported to the full Committee in the presence of a quorum.

Staff was directed to prepare a clean bill to reflect the Subcommittee's intent for introduction and consideration by the full Committee.

At 11:25 a.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

Glenda Temple

FY 1979 FOOD STAMP PROGRAM COSTS

| | Low End of Range | | High End of Range | |
|---|---|---|---|---|
| Administration's current estimate (5/8/79)<br>Based on actual data for January-April and projections for May-September<br>April data are from 17% sample | $6,900 | | $7,150 | |
| Committee Staff estimate<br>Used to set cap | 5,599 | | 5,599 | |
| Difference | 1,301 | 100% | 1,551 | 100% |
| Amount of difference due to: | | | | |
| Changes in bill from House to final enactment | 119 | 9% | 119 | 8% |
| Food price inflation | 745 | 57% | 856 | 55% |
| Elimination of the purchase requirement<br>- more people enter program than expected<br>- they come on sooner | 362 | 28% | 491 | 32% |
| Administrative costs related to case review and inflation | 70 | 5% | 70 | 4% |
| Emergency aid related to flood disasters | 5 | 1% | 15 | 1% |

Dollar figures are in millions.

Question: If benefits are cut from food stamp recipients at the higher end of the income scale, is it possible to exempt the elderly and disabled from this cut?

Answer: No, this is not at all possible. Over 80 percent of all food stamp issuance is computerized. The computers in nearly all States contain only the income information necessary to compute the amount of food stamps that households receive. The computers do not have identifiers that distinguish the elderly and disabled. There is simply no way to cut households with higher incomes and exempt elderly and disabled from this reduction.

BENEFITS REDUCED $100 MILLION

| | Reduction Effective during September |
|---|---|
| Net income limit as a percent of poverty line | 64 |
| Percent of each category made ineligible (persons) | |
| elderly | 32 |
| earners | 48 |
| Total Caseload | 32 |
| Percent made ineligible by census regions (households) | |
| Northeast | 34 |
| North Central | 28 |
| South | 28 |
| West | 28 |
| States in which all aged SSI's made ineligible | |

Northeast: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania.

North Centrat: Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas.

South: Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas.

West: Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, California, Alaska, Hawaii.

BENEFITS REDUCED $ 200 MILLION

| | Reduction Effective during September |
|---|---|
| Net income limit as a percent of poverty line | 46 |
| Percent of each category made ineligible (persons) | |
| elderly | 64 |
| earners | 66 |
| Total Caseload | 55 |
| Percent made ineligible by census regions (households) | |
| Northeast | 63 |
| North Central | 53 |
| South | 48 |
| West | 54 |
| States in which all aged SSI's made ineligible | Connecticut, Nebraska, Alaska |

Northeast: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania.

North Centrat: Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas.

South: Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas.

West: Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, California, Alaska, Hawaii.

BENEFITS REDUCED $300 MILLION

| | Reduction Effective during September |
|---|---|
| Net income limit as a percent of poverty line | 32 |
| Percent of each category made ineligible (persons) | |
| elderly | 82 |
| earners | 78 |
| Total Caseload | 68 |
| Percent made ineligible by census regions (households) | |
| Northeast | 79 |
| North Central | 71 |
| South | 64 |
| West | 66 |
| States in which all aged SSI's made ineligible | Connecticut, New Jersey, Colorado, Nebraska, Alaska, Idaho, Washington |

Northeast: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania.

North Centrat: Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas.

South: Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas.

West: Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada

BENEFITS REDUCED $400 MILLION

| | Reduction Effective during September |
|---|---|
| Net income limit as a percent of poverty line | 26 |
| Percent of each category made ineligible (persons) | |
| elderly | 88 |
| earners | 82 |
| Total Caseload | 73 |
| Percent made ineligible by census regions (households) | |
| Northeast | 85 |
| North Central | 77 |
| South | 68 |
| West | 69 |
| States in which all aged SSI's made ineligible | Connecticut, New Hampshire, Rhode Island, Vermont, New York, New Jersey, Michigan, Oklahoma, Colorado, Nebraska, Alaska, Idaho, Nevada, Washington |

Northeast: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania.

North Centrat: Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas.

South: Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas.

West: Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, California, Alaska, Hawaii.

BENEFITS REDUCED $500 MILLION

| | Reduction Effective during September |
|---|---|
| Net income limit as a percent of poverty line | 18 |
| Percent of each category made ineligible (persons) | |
| elderly | 92 |
| earners | 88 |
| Total Caseload | 80 |
| Percent made ineligible by census regions (households) | |
| Northeast | 91 |
| North Central | 84 |
| South | 77 |
| West | 77 |
| States in which all aged SSI's made ineligible | Connecticut, Maine, New Hampshire, Rhode Island, Vermont, New Jersey, New York, Pennsylvania, Michigan, Minnesota, Ohio, Oklahoma, Colorado, Nebraska, South Dakota, Utah, Wyoming, Alaska, Hawaii, Idaho, Nevada, Oregon, Washington |

Northeast: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania.

North Centrat: Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas.

South: Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas.

West: Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, California, Alaska, Hawaii.

BENEFITS REDUCED $600 MILLION

| | Reduction Effective during September |
|---|---|
| Net income limit as a percent of poverty line | 2 |
| Percent of each category made ineligible (persons) | |
| elderly | 99 |
| earners | 98 |
| Total Caseload | 97 |
| Percent made ineligible by census regions (households) | |
| Northeast | 99 |
| North Central | 98 |
| South | 97 |
| West | 97 |
| States in which all aged SSI's made ineligible | All |

Northeast: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania.

North Centrat: Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas.

South: Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas.

West: Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, California, Alaska, Hawaii.

| Type of Household | Percent of All Households | Last Quarter of FY 1979 | | If Benefits Cut in Last 3 Months of FY 1979 | | If Benefits Cut in Last 2 Months of FY 1979 | | If Benefits Cut in Last Month of FY 1979 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Average Benefit Per Person | Average Benefit Per Person Per Meal | Average Benefit Per Person | Average Benefit Per Person Per Meal | Average Benefit Per Person | Average Benefit Per Person Per Meal | Average Benefit Per Person | Average Benefit Per Person Per Meal |
| Household containing an elderly or disabled person | 30% | $32 | 36¢ | $21 | 24¢ | $16 | 18¢ | 0 | 0 |
| Household containing children under 18 | 64% | $33 | 36¢ | $22 | 24¢ | $16 | 18¢ | 0 | 0 |
| Female headed household | 68% | $33 | 36¢ | $22 | 24¢ | $16 | 18¢ | 0 | 0 |
| Household with earned income | 20% | $30 | 33¢ | $20 | 22¢ | $15 | 17¢ | 0 | 0 |

QUESTION: On a State by State basis, what are your estimates of program participation and bonus costs for the most recent month available?

ANSWER: The attached chart provides current data for program participation and bonus costs for February 1979. The numbers are presented on a State by State basis with Regional subtotals and national totals.

FORM FNS-501
(6-77)

U.S. DEPARTMENT OF AGRICULTURE
FOOD AND NUTRITION SERVICE
FOOD STAMP PROGRAM
FEB. 1979 PARTICIPATION — PRELIMINARY DATA (thousands) WORK SHEET

| STATE | | Feb. 1979 Participation | Bonus Dollars in Thousands | | | |
|---|---|---|---|---|---|---|
| NEW ENGLAND | | | | | | |
| Connecticut | | 156 | 3,880 | | | |
| Maine | | 127 | 4,203 | | | |
| Massachusetts | | 554 | 17,194 | | | |
| New Hampshire | | 42 | 1,486 | | | |
| Rhode Island | | 70 | 1,565 | | | |
| Vermont | | 40 | 1,135 | | | |
| N.E. | | 990 | 29,463 | | | |
| MID-ATLANTIC | | | | | | |
| Delaware | | 39 | 1,207 | | | |
| District of Columbia | | 99 | 2,879 | | | |
| Maryland | | 276 | 8,918 | | | |
| New Jersey | | 495 | 15,464 | | | |
| New York | | 1,737 | 45,345 | | | |
| Pennsylvania | | 911 | 23,916 | | | |
| Puerto Rico | | 1,800 | 64,000 | | | |
| Virginia | | 267 | 7,673 | | | |
| Virgin Islands | | 30 | 1,301 | | | |
| West Virginia | | 379 | 11,886 | | | |
| M.A. | | 6,033 | 182,589 | | | |
| SOUTHEAST | | | | | | |
| Alabama | | 391 | 11,850 | | | |
| Florida | | 731 | 24,964 | | | |
| Georgia | | 473 | 14,528 | | | |
| Kentucky | | 397 | 12,356 | | | |
| Mississippi | | 401 | 11,568 | | | |
| North Carolina | | 510 | 15,427 | | | |
| South Carolina | | 316 | 9,720 | | | |
| Tennessee | | 485 | 16,068 | | | |
| S.E. | | 3,704 | 116,481 | | | |
| MIDWEST | | | | | | |
| Illinois | | 849 | 26,384 | | | |
| Indiana | | 226 | 7,015 | | | |
| Michigan | | 658 | 14,610 | | | |
| Minnesota | | 147 | 3,867 | | | |
| Ohio | | 719 | 23,069 | | | |
| Wisconsin | | 200 | 4,389 | | | |
| M.W. | | 2,799 | 79,334 | | | |
| SOUTHWEST | | | | | | |
| Arkansas | | 262 | 7,775 | | | |
| Louisiana | | 440 | 13,677 | | | |
| New Mexico | | 138 | 4,591 | | | |
| Oklahoma | | 169 | 4,329 | | | |
| Texas | | 942 | 28,976 | | | |
| S.W. | | 1,951 | 59,348 | | | |
| MOUNTAIN PLAINS | | | | | | |
| Colorado | | 140 | 4,888 | | | |
| Iowa | | 124 | 3,508 | | | |
| Kansas | | 67 | 1,808 | | | |
| Missouri | | 241 | 7,103 | | | |
| Montana | | 34 | 1,069 | | | |
| Nebraska | | 52 | 1,404 | | | |
| North Dakota | | 19 | 533 | | | |
| South Dakota | | 30 | 903 | | | |
| Utah | | 43 | 1,118 | | | |
| Wyoming | | 10 | 302 | | | |
| M.P. | | 760 | 22,636 | | | |
| WESTERN | | | | | | |
| Alaska | | 15 | 725 | | | |
| American Samoa | | NA | | | | |
| Arizona | | 111 | 3,701 | | | |
| California | | 1,517 | 42,054 | | | |
| Guam | | 18 | 923 | | | |
| Hawaii | | 94 | 3,254 | | | |
| Idaho | | 36 | 1,098 | | | |
| Nevada | | 23 | 792 | | | |
| Oregon | | 185 | 5,713 | | | |
| Trust Territory | | NA | | | | |
| Washington | | 231 | 7,249 | | | |
| W.P. | | 2,230 | 65,509 | | | |
| USA TOTAL | | 16,467 | 555,360 | | | |

FORTHCOMING FOOD STAMP REGULATIONS

The following is a list of forthcoming food stamp regulations. Many of the provisions in these regulations are not required by the Food Stamp Act of 1977, but are changes the Department is making to improve the overall efficiency and effectiveness of the food stamp program. This is true of most provisions in the regulations dockets on the performance reporting system, administrative costs, plans, sanctions and liabilities, and disasters.

FORTHCOMING FOOD STAMP REGULATIONS

| Regulation | Date Proposed | Final | Implementation |
|---|---|---|---|
| Performance Reporting System: Quality Control Provisions | 4/10/79 | 7/1/79 | 9/1/79 |
| Performance Reporting System: Other Provisions | 4/10/79 | 8/1/79 | 10/1/79 |
| Outreach | 4/10/79 | 7/15/79 | 10/1/79 |
| Indians | 12/8/78 | 5/20/79 | Immediate |
| Administrative Cost, Plans, Sanctions and Liabilities | 5/20/79 | 8/20/79 | Immediate |
| SSI Joint Processing | 7/1/79 | 9/10/79 | 1/1/80 |
| Standards for Locations and Hours of Certification and Issuance | 6/1/79 | 9/10/79 | 1/1/80 |
| Disasters | 7/15/79 | 10/15/79 | 1/1/80 |
| Job Search, Employment Service | 6/15/79 | 9/1/79 | 10/1/79 |

## PROFILE OF FOOD STAMP HOUSEHOLDS

### INCOME

The majority of households participating in the Food Stamp Program under the new law have very low incomes. Over half of all households in the program have gross incomes of less than $300 a month, or $3,600 a year. Less than 3% of all households have monthly incomes which exceed $750 (9,000 a year) and none of these are households of less than four people. Six-tenths of one percent of food stamp households have incomes in excess of $1,000 a month ($12,000 a year) and all are households of seven or more. (TABLE 1)

### AGE

Over 20 percent of food stamp households are headed by a person over 60. Seventeen percent of households have heads aged 46-60 and over 43 percent of heads are between 26 and 45. Only 19 percent of food stamp household heads are 25 or younger.
(TABLE 2)

### RACE AND ETHNICITY

The largest group of food stamp households, nearly 49 percent, are white. Over 29 percent are black and over 9 percent of Hispanic origin. (TABLE 3)

### GEOGRAPHIC REGION

Over 32 percent of all food stamp participants live in the Mid-Atlantic Region, the area which includes such heavily populated States as New York, and Pennsylvania. The Southeast contains over 20 percent of the participants, due to the high portion of persons with low incomes in this area. A smaller percentage of participating persons are found in the Midwest, 15 percent; the West, 12 percent; and the Southwest, nearly 11 percent. The smallest proportion of the food stamp population lives in New England, 5 percent and the Mountain Plains Region, 4 percent. (TABLE 4)

TABLE 1

Households Participating in the Food Stamp Program under Food Stamp Act of 1977
Percent of Households by Gross Income 1/

| Gross Monthly Income | Equivalent Annual Gross Income | Household Size | | | | | | | | Percent of all Households | Cumulative Percent of all Households |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8+ | | |
| 0 | 0 | 2.1 | 2.4 | 2.9 | 12.0 | 8.7 | 6.8 | 5.0 | 3.1 | 4.5 | 4.5 |
| 1 -99 | 1 -1199 | 4.2 | 7.2 | 7.4 | 7.6 | 5.8 | 2.7 | 4.3 | 1.5 | 5.9 | 10.3 |
| 100-199 | 1200-2399 | 19.4 | 16.5 | 10.7 | 9.3 | 7.2 | 7.6 | 3.0 | 3.6 | 13.8 | 24.2 |
| 200-299 | 2400-3599 | 58.0 | 24.6 | 12.0 | 8.9 | 14.2 | 8.6 | 7.6 | 7.5 | 28.7 | 52.8 |
| 300-399 | 3600-4799 | 14.6 | 34.4 | 30.4 | 17.3 | 10.7 | 13.4 | 7.8 | 10.4 | 21.4 | 74.2 |
| 400-499 | 4800-5999 | 1.7 | 11.4 | 22.1 | 18.4 | 16.1 | 17.1 | 15.7 | 12.3 | 11.8 | 86.0 |
| 500-599 | 6000-7199 | 0 | 3.3 | 10.6 | 11.7 | 14.4 | 20.4 | 13.1 | 12.3 | 6.6 | 92.6 |
| 600-749 | 7200-8999 | 0 | 0.3 | 3.9 | 13.5 | 13.9 | 8.2 | 12.2 | 12.2 | 4.5 | 97.0 |
| 750-999 | 9000-11999 | 0 | 0 | 0 | 1.3 | 8.9 | 15.3 | 26.4 | 13.0 | 2.3 | 99.4 |
| 1000+ | 12000+ | 0 | 0 | 0 | 0 | 0 | 0 | 4.8 | 24.1 | 0.6 | 100.0 |
| | | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | |
| | Percent of all Households | 31.4 | 22.6 | 16.2 | 13.6 | 8.0 | 4.1 | 2.0 | 2.2 | | |

1/ Based on MATH simulation model for households as of July 1978.

Table 2

| AGE OF HOUSEHOLD HEAD | PERCENTAGE OF ALL HOUSEHOLDS |
|---|---|
| 25 or younger | 18.6 |
| 26-45 | 43.5 |
| 46-60 | 17.0 |
| 61 or older | 20.5 |

Table 3

| RACE/ETHNICITY | PERCENTAGE OF ALL HOUSEHOLDS |
|---|---|
| White | 48.8 |
| Black | 29.4 |
| Hispanic | 9.4 |
| American Indian | 0.9 |
| Pacific Islander | 0.1 |
| All other | 0.4 |
| Unknown | 11.0 |

Table 4

| GEOGRAPHIC REGION | PERCENTAGE OF ALL PARTICIPANTS |
|---|---|
| New England (CN, ME, MA, NH, RI, VT) | 5.4 |
| Mid-Atlantic (DE, DC, MD, NJ, NY, PA, PR, VA, WV, VI) | 32.7 |
| Southeast (AL, FL, GA, KY, MS, NC, SC, TN) | 20.1 |
| Midwest (IL, IN, MI, MN, OH, WI) | 15.2 |
| Southwest (AR, LA, NM, OK, TX) | 10.6 |
| Mountain Plains (CO, IA, KS, MO, MT, NE, ND, SD, UT, WY) | 4.1 |
| Western (AK, AZ, CA, GU, HI, ID, NV, OR, WA) | 12.1 |

QUESTION: The Department estimates that the new participants in the Food Stamp Program due to EPR have lower incomes than originally anticipated. What is the basis for that estimate?

ANSWER: In projecting the impacts of EPR before implementation, the Department believed that the majority of the new participants attracted to the Program would have average incomes higher than the average income of participants already on the program. If this had been the case, the new participants would have received smaller monthly benefits than the benefits received by other participants, since benefits are directly related to income levels. In that event, the average benefit per person would have decreased as the new participants entered the program. This has not occurred. The average bonus per person has remained fairly stable since implementation of EPR. This indicates that the new participants added to the program in recent months are from households with income characteristics similar to those participating in the Program prior to implementation of EPR.

Question: First, I would like the estimates of the impact of EPR you had at the time of release of EPR regulations for both cost and participation on a monthly basis for the period January-September 1979.

Answer: Shown below are the estimates of the effect of EPR on Food Stamp Program participation and cost that FNS had at the time of release of EPR regulations. At that time, it was estimated that 3.25 million people would enter the program due to EPR but that only 79 percent of this increment to participation would be realized by the end of FY 1979.

Estimates of Effects of EPR on Food Stamp Program Participation and Costs (September 1978)

| Month | Participation Due to EPR (Millions of Persons) | Cost Due to EPR (Million $) |
|---|---|---|
| January 1979 | .10 | 2.0 |
| February | .20 | 4.0 |
| March | .42 | 8.4 |
| April | .72 | 15.0 |
| May | 1.07 | 21.4 |
| June | 1.40 | 28.0 |
| July | 1.76 | 35.2 |
| August | 2.24 | 44.8 |
| September | 2.57 | 51.4 |

UNANIMOUS CONSENT FOR THIS S STITUTE

96TH CONGRESS
1ST SESSION

# H. R. 2412

To amend section 18 of the Food Stamp Act of 1977.

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IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 26, 1979

Mr. RICHMOND introduced the following bill; which was referred to the Committee on Agriculture

---

# A BILL

To amend section 18 of the Food Stamp Act of 1977.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Food Stamp Act Amendment of 1979".

SEC. 2. Section 18 of the Food Stamp Act of 1977 is amended by ~~(1)~~ deleting ~~the subsection designation "(a)"; and~~ ~~(2) deleting everything after "1978;"~~ and inserting in lieu thereof ~~the following: "and~~ "such sums as the Congress may appropriate "not in excess of $6,158,900,000" ~~for the fiscal year ending September 30, 1979, through September 30, 1981."~~.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, May 10, 1979

Joint
(Sub) Committees on Conservation and Credit; Forests; and Department Investigations, Oversight, and Research

Meeting: Public Hearing

Subject: Reorganization Plan

Bill Nos. None

The Joint (Sub) Committees

met in Open Session at 2:05 p.m. o'clock, in Room 1301 LHOB.

The following Members were present:

| Department Investigations | Forests | Conservation and Credit: |
|---|---|---|
| Mr. de la Garza | Mr. Weaver | Mr. Jeffords |
| Mr. Fithian | Mr. Anthony | Mr. Kelly |
| Mr. Skelton | Mr. | Mr. Coleman |
| Mr. Wampler | Mr. | Mr. Marlenee |
| Mr. Grassley | Mr. | Mr. Hopkins |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |

Staff present:

Fowler West, Staff Assistant
John Hogan, Counsel
Bernie Brenner, Press Secretary
Bert Pena, Subcommittee Staff Consultant
Dennis LeMaster, Subcommittee Staff Consultant
Rita DiSimone, Staff Assistant
Jerry Jorgensen, Staff Assistant
Tom Adams, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Honorable John Knebel, Attorney at Law, Washington, D.C.
2. Mr. J. Gene Raymond, Executive Director, National Federation of Federal Employees, Washington, D.C.
   accompanied by: Mr. George Tilton, Associate General Counsel
3. Mr. Reuben Johnson, National Farmers Union, Washington, D.C.
4. Mr. Bruce Hawley, American Farm Bureau Federation, Washington, D.C.
5. Mr. William E. Murray, Legislative Specialist for Rural Area Development of the National Rural Electric Cooperative Association, Washington, D.C.
6. Mr. Ronald A. Michieli, National Cattlemen's Association, Washington, DC
7. Mr. John F. Hall, Vice President, Resource and Environment, National Forest Products Association, Washington, D.C.
8. Mr. Clark Cosse', III, Ass't Vice President of Public Affairs, Southern Forest Products Association, New Orleans, La.

Statements Filed:

1. Hon. Dale White, County Judge, Harney County, Oregon, for National Association of Counties, Washington, D.C.
2. Mr. Neal Bjornson, Director of Legislation, National Milk Producers Federation, Washington, D.C.
3. Mr. Charles L. Frazier, Director, Washington Office, National Farmers Organization.
4. National Grange
5. Council of Farmer Cooperatives

Thursday, May 10, 1979
Subcommittees on Department Investigations,
Oversight and Research; Forests; and
Conservation and Credit
Joint Public Hearing
Reorganization Plan

Chairman Weaver called the meeting to order and turned the chair over to Mr. Skelton for the purpose of recognizing the witnesses in the order listed on page 2. Each witness gave prepared testimony and answered questions as appearing in the record.

During the meeting, Mr. Fithian chaired from 2:30 to 3:00; Mr. de la Garza from 3:00 to 3:25.

Mr. Fithian moved that (1) the staff prepare for consideration by the full Committee a committee report which summarizes testimony given at hearings on the President' reorganization plan and which contains a Committee resolution that sets forth the opposition of the Committee to the proposed Department of Natural Resources as well as other reorganization efforts that would weaken the Department of Agriculture; and (2) the Vice Chairman be authorized to present the report to the full Committee at its next meeting or at an appropriate, subsequent meeting soon thereafter. Mr. Marlenee seconded the motion and without objection it was approved.

Chairman de la Garza adjourned the meeting at 3:25 p.m., to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, May 15, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: Rural Development Policy Act; SBA Loan Policy

Bill Nos. H.R. 3580; H.R. 4011 (H.R. 90)

The Full ~~(Sub)~~ Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Whitley | Mr. Wampler |
| Mr. de la Garza | Mr. Coelho | Mr. Sebelius |
| Mr. Mathis | Mr. Daschle | Mr. Findley |
| Mr. Brown | Mr. Hance | Mr. Symms |
| Mr. Bowen | Mr. Anthony | Mr. Grassley |
| Mr. Rose | Mr. Stenholm | Mr. Hagedorn |
| Mr. Richmond | Mr. | Mr. Marlenee |
| Mr. Nolan | Mr. | Mr. Hopkins |
| Mr. Weaver | Mr. | Mr. Thomas |
| Mr. Baldus | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. Fithian | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Glickman | Mr. | |
| Mr. Akaka | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Bob Frank, Assistant Counsel
Gary Norton, Assistant Counsel
Glenda Temple, Clerk
Jim Swiderski, Subcommittee Staff Consultant
Steve Adams, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to questions concerning H.R. 3580:

1. Mr. James C. Webster, Director of Government Affairs, USDA.

The following represented the Small Business Administration and responded to questions concerning H.R. 4011 (H.R. 90):

1. Mr. Bill Mauk, Deputy Administrator, SBA.

Statements Filed:

None

Tuesday, May 15, 1979
Full Committee
Business Meeting
Rural Development Policy Act; SBA
Loan Policy
H.R. 3580; H.R. 4011; H.R. 90

Action Taken:

-- By show of hands vote of 2 yeas-7 nays Marlenee amendment striking authorization for Working Group not agreed to.

-- Panetta amendment striking name change of FmHA agreed to by show of hands vote of 9 yeas-7 nays.

-- By unanimous voice vote Glickman amendment placing cap on Working Group authorization approved.

-- By unanimous voice vote de la Garza amendment on land grant colleges adopted.

-- By unanimous voice vote Marlenee amendment providing for sunset approved.

-- Nolan amendment changing effective date agreed to by unanimous voice vote.

-- By roll call vote 33 yeas-3 nays H.R. 3580, amended, ordered reported to the House in the presence of a quorum.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. Brown
2. Mr. Nolan
3. Mr. Baldus
4. Mr. Panetta
5. Mr. Sebelius
6. Mr. Grassley
7. Mr. Marlenee
8. Mr. Foley
9. Mr. Mathis
10. Mr. Fithian
11. Mr. Symms
12. Mr. de la Garza
13. Mr. Hagedorn
14. Mr. Findley
15. Mr. Anthony
16. Mr. Whitley
17. Mr. Stenholm
18. Mr. Rose
19. Mr. Bedell

Nineteen Members having responded, a one-third quorum was established pursuant to Committee Rules.

Mr. Marlenee was recognized to explain the provisions of his pending amendment which would strike the authorization for the Working Group for Rural Development established by section 607, as follows:

Tuesday, May 15, 1979
Full Committee
Business Meeting
Rural Development Policy Act; SBA
Loan Policy
H.R. 3580; H.R. 4011; H.R. 90

On page 11, strike lines 21 through 23.

Discussion occurred on the amendment and by a show of hands vote of 2 yeas-7 nays the amendment was not agreed to.

Discussion occurred on the provisions of H.R. 3580, and Mr. Panetta offered the following amendment to delete the section changing the name of the Farmers Home Administration:

On page 13, strike lines 1 through 20.

Discussion occurred and by a show of hands vote of 9 yeas-7 nays the Panetta amendment was approved.

Mr. Glickman moved to amend the Working Group section on page 11, lines 21 through 23, by placing a cap on the amount of money that could be appropriated as follows:

Insert at the appropriate point: "not more than $25,000 per annum".

Discussion occurred and by a voice vote the Glickman amendment was adopted.

Mr. de la Garza offered the attached amendment concerning land grant colleges. Discussion occurred and by a unanimous voice vote the de la Garza amendment was agreed to.

Mr. Marlenee offered the following amendment providing for a sunset clause:

On page 11a, add a new subsection (j) at the end of proposed section 607 to read as follows:

"(j) The provisions of this section shall not be effective beyond September 30, 1984.".

Discussion occurred and by a unanimous voice vote the Marlenee sunset amendment was adopted.

Chairman Foley stated that pursuant to the requirements of the Budget Act if this bill is reported, a report would have to be filed by midnight tonight, whereby Mr. Nolan offered the following amendment changing the effective date of the legislation.

Page 14, line 21, strike "October 1, 1979" and insert in lieu thereof "October 1, 1980".

By a unanimous voice vote the Nolan amendment was agreed to.

Tuesday, May 15, 1979
Full Committee
Business Meeting
Rural Development Policy Act; SBA Loan Policy
H.R. 3580; H.R. 4011; H.R. 90

Mr. Nolan moved that H.R. 3580, amended, be ordered favorably reported to the House. Mr. Marlenee requested a recorded vote and the Clerk was directed to call the roll. The vote follows:

Y E A S

1. Mr. de la Garza
2. Mr. Nolan
3. Mr. Panetta
4. Mr. Huckaby
5. Mr. Glickman
6. Mr. Akaka
7. Mr. Whitley
8. Mr. Daschle
9. Mr. Anthony
10. Mr. Stenholm
11. Mr. Sebelius
12. Mr. Jeffords (proxy to Mr. Grassley)
13. Mr. Grassley
14. Mr. Hopkins
15. Mr. Foley
16. Mr. Jones (Tenn.)(proxy to Mr. Foley)
17. Mr. Brown (proxy to Mr. Foley)
18. Mr. Bowen
19. Mr. Rose (proxy to Mr. Foley)
20. Mr. Fithian
21. Mr. Hance
22. Mr. Findley
23. Mr. Symms (proxy to Mr. Sebelius)
24. Mr. Johnson (proxy to Mr. Sebelius)
25. Mrs. Heckler (proxy to Mr. Sebelius)
26. Mr. Coleman (proxy to Mr. Sebelius)
27. Mr. Richmond
28. Mr. Baldus
29. Mr. Bedell
30. Mr. Harkin (proxy to Mr. Nolan)
31. Mr. Hagedorn (proxy to Mr. Sebelius)
32. Mr. Weaver
33. Mr. Wampler (proxy to Mr. Sebelius)

N A Y S

1. Mr. Marlenee
2. Mr. Thomas
3. Mr. Mathis (proxy to Mr. Foley)

Thus, by a roll call vote of 33 yeas-3 nays the motion was approved and H.R. 3580 was ordered reported to the House with the recommendation that it do pass in the presence of a quorum (24 Members were present and voting). Staff was given permission to make necessary technical and clerical amendments and Members were given three days in which to submit any views for inclusion in the Committee report.

Chairman Foley brought to the Committee's attention H.R. 4011 and H.R. 90 which had been reported by the Small Business Committee and currently pending before the Rules Committee. He advised that

there was a section dealing with the Farmers Home Administration loan authority and under the jurisdiction of the Committee on Agriculture. The Committee discussed the matter and reached a concensus that due to the emergency nature of the bill with respect to Mississippi and Texas the bill would not be opposed. It was decided, however, that a record would be made to reflect the Committee's concern over the jurisdictional incursion by the Small Business Committee.

At 11:45 a.m. the meeting was adjourned to reconvene at 10:30 a.m. on Wednesday, May 16, for consideration of H.R. 3988, H.R. 3514, H.R. 3575, and H.R.2412.

Glenda Temple

H.R. 3580

AMENDMENT OFFERED BY MR. de la GARZA

Add at the end of the bill the following new section:

"SEC. __. Section 503(f) of the Rural Development Act of 1972 is amended by inserting immediately after the first sentence thereof: 'In those States which contain more than one institution or university accepting the benefits of the Morrill Acts of 1862 and/or 1890, including Tuskegee Institute, such annual plan and budget shall be jointly developed by mutual agreement of the chief administrative officers of all such institutions or universities.'".

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, May 15, 1979

Joint (Sub) Committees on Conservation and Credit, Department Investigations, Oversight and Research, and Livestock and Grains
Meeting: Public Hearing

Subject: National Fuel Alcohol and Farm Commodity Production Act

Bill Nos. H.R. 3905

The Joint (Sub) Committees

met in Open Session at 10:00 a.m. o'clock, in Room 1302 LHOB.

The following Members were present:

| Conservation and Credit | Department Investigations | Livestock and Grains |
|---|---|---|
| Mr. Glickman | Mr. de la Garza, Chairman | Mr. Rose, Chairman |
| Mr. Hance | Mr. Fithian | Mr. Bedell |
| Mr. Baldus | Mr. Glickman | Mr. Daschle |
| Mr. Bedell | Mr. Heckler | Mr. de la Garza |
| Mr. Daschle | Mr. | Mr. Fithian |
| Mr. Jeffords | Mr. | Mr. Baldus |
| Mr. | Mr. | Mr. Hance |
| Mr. | Mr. | Mr. Sebelius |
| Mr. | Mr. | Mr. Hagedorn |
| Mr. | Mr. | Mr. Symms |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | ALSO PRESENT: |
| | | Mr. Findley |

Staff present:

Fowler West, Staff Director
Bernard Brenner, Press Secretary
Gary Norton, Assistant Counsel
Claude Freeman, Subcommittee Staff Consultant
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Anita Brown, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Deputy Secretary of Agriculture James Williams, Washington, D.C.
   accompanied by: Dr. Weldon Barton, Director, Office of Energy, USDA
2. Honorable Tom Hagedorn, Member of Congress from Minnesota
3. Honorable Virginia Smith, Member of Congress from Nebraska
4. Mrs. Betty Majors, National President, WIFE, Oscelola, Nebraska
5. Mr. Donald E. Lutz, farmer, and ASCS Committeeman, Mohrsville, Pennsylvania
   accompanied by: Mr. Larry Shrawder
6. Mr. Pincas Jawetz, consultant on energy policy, New York, N.Y.
7. Mr. Neil Sampson, Executive Vice President, National Association of
   Conservation Districts, Washington, D.C.

Statements Filed:

USDA background papers on alcohol fuels and distillers dried grain
Honorable Berkley Bedell, Member of Congress from Iowa
Honorable Tom Hagedorn, Member of Congress from Minnesota
Mr. Donald E. Lutz, Mohrsville, Pa.
Mr. Larry Shrawder, Berks County, Pa.

Tuesday, May 15, 1979
Subcommittees on Conservation and Credit,
Department Investigations, Oversight, and Research,
and Livestock and Grains
Public Hearing
National Fuel Alcohol and Farm Commodity Production
Act

Chairman Rose called the meeting to order and recognized Mr. Bedell and Mr. de la Garza for opening remarks.

The witnesses list on page 2 were recognized to give their prepared testimony and answer questions as appearing in the record.

The meeting was adjourned at 12:07 p.m. to reconvene at 2:00 p.m. this date to hear additional witnesses on this subject.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, May 15, 1979

Joint
(Sub) Committees on Conservation and Credit, Department Investigations, Oversight, and Research, and Livestock and Grains

Meeting: Public Hearing

Subject: National Fuel Alcohol and Farm Commodity Production Act

Bill Nos. H.R. 3905

The Joint (Sub) Committees

met in Open Session at 2:05 p.m. o'clock, in Room 1302 LHOB

The following Members were present:

| Conservation and Credit | Department Investigation | Livestock and Grains |
|---|---|---|
| Mr. Harkin | Mr. Fithian | Mr. Rose, Chairman |
| Mr. Glickman | Mr. Glickman | Mr. Bedell |
| Mr. Balcus | Mr. Grassley | Mr. Daschle |
| Mr. Bedell | Mr. | Mr. Stenholm |
| Mr. Daschle | Mr. | Mr. Fithian |
| Mr. Jeffords | Mr. | Mr. Hagedorn |
| Mr. Kelly | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Claude Freeman, Subcommittee Staff Consultant
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgenson, Staff Assistant
Gary Norton, Assistant Counsel
Peggy Pecore, Staff Assistant

Witnesses:

1. Panel: National Farmers Union, Washington, D.C.

   Mr. Neil Oxton, President, Nebraska Farmers Union
   Mr. Harold Dodd, President, Illinois Farmers Union
   Mr. Lowell Gose, President, Iowa Farmers Union, represented by Mr. Curt Sorteberg

2. Mr. Don Kelly, Manager, Farm Bureau Cooperative Association, Portland, Ind.

3. Mr. Warren Lamm, Executive Director, Pennsylvania House Committee on Agriculture and Rural Affairs, Harrisburg, Pa.

4. Dr. Paul Middaugh, South Dakota State University, Brookings, S.D.
   Mr. Richard Blaser, International Biomass Institute, Washington, D.C.
   accompanied by: Dr. Harold Albright, Executive Director
   Dr. Lance Crombie, Webster, Minn.

5. Mr. Clint Fodge, Director for Long Range Planning and Technical Services, Land O' Lakes Fort Dodge, Iowa

   Ms. Victoria Calvert, Director, Federal Energy Affairs, National Council of Farmer Cooperatives, Washington, D.C.

6. Panel:

   Mr. Holly Hodge, President, National Gasohol Commission, Lincoln, Nebr.
   Mr. Ross Rasmussen, National Gasohol Commission, Lincoln, Nebr.
   Dr. William Scheller, Director, National Gasohol Commission, Lincoln, Nebr.
   Senator Harold Dover, Montana Senate

7. Dr. Werner Muller, U.S. Industrial Chemicals Co. Division of National Disillers & Chemical Corporation, for Wakefield Washington Associates, Washington, D.C.

Mr. Harry Brown, Office of Energy, Department of Agriculture, Washington, D.C., was in the audience to respond to questions from Members of the Subcommittees

Statements Filed:

Honorable Clarence Miller, Member of Congress from Ohio

Subcommittees on Conservation and Credit,
Department Investigations, Oversight, and
Research, and Livestock and Grains
Tuesday, May 15, 1979 - P.M.
Public Hearing
National Fuel Alcohol and Farm Commodity
Production Act

Acting Chairman Bedell called the meeting to order, and the witnesses listed on page 2 were recognized to present their testimony and answer questions from Members of the Subcommittees as appearing the record. Mr. Bedell also chaired the meeting from 4:55 until 5:05 p.m.

Representative Rose, Chairman, Livestock and Grains Subcommittee, chaired the meeting from 2:15 until 4:55 and from 5:05 until it was adjourned.

The meeting was adjourned at 6:00 p.m. to reconvene at 2:00 p.m. the following day to hear further testimony on H.R. 3905.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, May 16, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Increase in target prices for 1979 crops of wheat and feed grains

Bill Nos. H.R. 3398

The Full ~~XXXX~~ (Sub) Committee met in open Session at 10:30 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Daschle | Mr. Wampler |
| Mr. de la Garza | Mr. Hance | Mr. Sebelius |
| Mr. Jones (Tenn.) | Mr. Anthony | Mr. Madigan |
| Mr. Mathis | Mr. Stenholm | Mr. Kelly |
| Mr. Bowen | Mr. | Mr. Grassley |
| Mr. Rose | Mr. | Mr. Hagedorn |
| Mr. Richmond | Mr. | Mr. Coleman |
| Mr. Nolan | Mr. | Mr. Marlenee |
| Mr. Baldus | Mr. | Mr. Hopkins |
| Mr. Harkin | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. English | Mr. | Mr. |
| Mr. Skelton | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Akaka | Mr. | |
| Mr. Whitley | Mr. | |

Staff present:

Fowler C. West, Staff Director
Tony Imhof, Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Glenda Temple, Clerk
Claude Freeman, Subcommittee Staff Consultant

Witnesses:

None

Statements Filed:

None

Wednesday, May 16, 1979
Full Committee
Business Meeting
Increase in target prices for 1979
crops of wheat and feed grains
H.R. 3398

Action Taken:

-- By show of hands vote of 6 yeas-9 nays Nolan amendment (90% parity) not agreed to.

-- By show of hands vote of 5 yeas-10 nays Hance amendment (70% parity loan; 80% parity target) not approved.

-- Without objection Stenholm amendment on computation of target price for grain sorghum and barley withdrawn.

-- By roll call vote 14 yeas-21 nays Hagedorn amendment changing proclamation date not approved.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. Bowen
2. Mr. Rose
3. Mr. Nolan
4. Mr. Baldus
5. Mr. English
6. Mr. Glickman
7. Mr. Whitley
8. Mr. Hance
9. Mr. Anthony
10. Mr. Stenholm
11. Mr. Wampler
12. Mr. Sebelius
13. Mr. Grassley
14. Mr. Hagedorn
15. Mr. Marlenee
16. Mr. Foley
17. Mr. Daschle

Seventeen Members having responded, a one-third quorum was established pursuant to notice under Committee Rules.

Chairman Foley called for the consideration of H.R. 3398, a bill to amend the Food and Agriculture Act of 1977 relating to increases in the target prices of the 1979 crops of wheat, corn, and other crops under certain circumstances, and for other purposes. Mr. Rose, Chairman of the Livestock and Grains Subcommittee, was recognized for the Subcommittee's report on the legislation.

Discussion occurred and Mr. Nolan offered the attached amendment which would establish the loan level for wheat and corn at 90 percent of parity. Discussion occurred on the amendment and by a show of hands vote of 6 yeas-9 nays the amendment was not agreed to.

Wednesday, May 16, 1979
Full Committee
Business Meeting
Increase in target prices for 1979 crops of wheat and feed grains
H.R. 3398

Mr. Hance offered the attached amendment which would set the loan rate at 70 percent of parity and the target price at 80 percent of parity. Discussion occurred on the amendment and by a show of hands vote of 5 yeas-10 nays the Hance amendment was not approved.

Mr. Stenholm offered the following amendment to provide for a 7 percent increase in target prices for grain sorghum and barley.

> Page 2, line 5, strike out the word "price" and all that follows down through line 9 and insert in lieu thereof "prices for the 1979 crop of corn, grain sorghum, and barley, to $2.35 per bushel for corn, $2.51 per bushel for grain sorghum, and $2.57 per bushel for barley.".

Discussion occurred on the amendment and without objection Mr. Stenholm withdrew his amendment after being assured that hearings and/or consultation would be held with the Department concerning the computation of target prices on grain sorghum and barley in relation to corn.

Mr. Hagedorn offered the following amendment to change the date for the Secretary to proclaim the national program acreage for the 1979 and later crop years of feed grain programs.

> On page 2, immediately after line 17, insert a new section 4, as follows:
> Sec. 4. Subsections (d)(1), (d)(3), and (f)(1) of section 105A of the Agricultural Act of 1940 (7 U.S.C. 1444c) are each amended by striking out "November 15" and inserting in lieu thereof "October 15".

Discussion occurred on the amendment. By a show of hands vote of 6 yeas-13 nays the amendment was not agreed to. Mr. Hagedorn requested a recorded vote and 7 Members sustained the request. The vote follows:

Wednesday, May 16, 1979
Full Committee
Business Meeting
Increase in target prices for 1979 crops of wheat and feed grains
H.R. 3398

YEAS

1. Mr. Harkin
2. Mr. Wampler
3. Mr. Kelly
4. Mr. Grassley
5. Mr. Hagedorn
6. Mr. Coleman
7. Mr. Marlenee
8. Mr. Hopkins
9. Mr. Findley (proxy to Mr. Wampler)
10. Mr. Symms (proxy to Mr. Wampler)
11. Mr. Johnson (proxy to Mr. Wampler)
12. Mr. Madigan (proxy to Mr. Wampler)
13. Mr. Thomas (proxy to Mr. Wampler)
14. Mr. Sebelius (proxy to Mr. Wampler)

NAYS

1. Mr. de la Garza
2. Mr. Jones (N.C.)(proxy to Mr. Foley)
3. Mr. Jones (Tenn.)
4. Mr. Mathis
5. Mr. Bowen
6. Mr. Rose
7. Mr. Richmond
8. Mr. Baldus
9. Mr. Bedell (proxy to Mr. Foley)
10. Mr. English
11. Mr. Glickman
12. Mr. Whitley
13. Mr. Daschle
14. Mr. Hance
15. Mr. Anthony
16. Mr. Stenholm
17. Mr. Foley
18. Mr. Nolan (proxy to Mr. Daschle)
19. Mr. Panetta (proxy to Mr. Foley)
20. Mr. Skelton (proxy to Mr. Foley)
21. Mr. Akaka (proxy to Mr. Foley)

Thus, by a roll call vote of 14 yeas-21 nays the Hagedorn amendment was not agreed to.

Mr. Marlenee offered in behalf of Mr. Sebelius the following amendment to increase the target price on wheat by 9 1/2 percent rather than 7 percent as in the English bill:

> On page 2, line 3, strike "$3.63" and insert in lieu there of "$4.00" and on line 6, strike "$2.35" and insert in lieu thereof "$2.60".

Discussion occurred and at 12:15 p.m. the meeting was adjourned to reconvene on Thursday, May 17, at 10:30 a.m. at which time the pending business will be continued consideration of the Sebelius amendment.

Glenda Temple

Nolan Amendment to H.R. 3398

Strike lines 5-17 and insert in lieu thereof the following:

Sec. 2. Title I of the Agriculture Act of 1949, as amended, is amended by adding at the end thereof the following: "Sec. 113 (a). Notwithstanding section 107 of this Act, the Secretary shall make available to producers loans and purchases on each crop of wheat at not less than 90 per centum of the parity price therefor.
(b) Notwithstanding section 105 of this Act, the Secretary shall make available to producers loans and purchases on each crop of corn at not less than 90 per centum of the parity price therefor."

Sec. 3. Sec. 110 of the Agriculture Act of 1949, as amended, is amended by deleting parts (5) and (6) and inserting in lieu thereof the following: "(5) conditions designed to induce producers to redeem and market the wheat or feed grains securing such loans without regard to the maturity dates thereof whenever the Secretary determines that the market prices of wheat or feed grains have attained a specified level which is not less than 100 per centum of the respective parity price therefor and (6) conditions prescribed by the Secretary under which the Secretary may require producers to repay such loans, plus accrued interest thereon, and other charges as may be required by regulation, wherever the Secretary determines that the market prices of wheat or feed grains are not less than 110 per centum of the respective parity price therefor."

AMENDMENT IN THE NATURE OF A SUBSTITUTE

by MR. HANCE to H.R.

Strike out sections 2 through 4 and insert in lieu thereof the following:

"SEC. 2. Section 107(A) of the Agricultural Act of 1949, as amended, effective for the 1977 through 1981 crops of wheat, is amended by--

(1) in subsection (a) striking out 'and $2.35 per bushel for each of the 1978 through 1981 crops of wheat', and inserting in lieu thereof ', $2.35 per bushel for the 1978 crop of wheat, and 70 per centum of the parity price therefor for each of the 1979 through 1981 crops of wheat'; and striking out all after 'export markets' and inserting a period in lieu thereof; and

(2) in subsection (b)(1)(B) striking out all after the second sentence and inserting in lieu thereof the following: 'For each of the 1979 through 1981 crops of wheat, the established price shall be 80 per centum of the parity price therefor.'.

"SEC. 3. Section 105(A) of the Agricultural Act of 1949, as amended, effective for the 1977 through 1981 feed grains crops, is amended by--

(1) in subsection (a)(1) striking out '$2.00 per bushel, for each of the 1977 through 1981 crops of corn' and inserting in lieu thereof '$2.00 per bushel for each of the 1977 and 1978 crops of corn, and 70 per centum of the parity price therefor

for each of the 1979 through 1981 crops of corn', and striking out all after 'United States' and inserting a period in lieu thereof.

(2) in subsection (b)(1)(B) striking out 'for the 1979 through 1981 crops' and all that follows and inserting in lieu thereof 'for each of the 1979 through 1981 crops the established price shall be 80 per centum of the parity price therefor.'.

"SEC. 4. The provisions of this Act shall become effective October 1, 1979, and any producers who prior to such date receive loans and payments on the 1979 crop of a commodity as computed under the Agricultural Act of 1949, as amended prior to the date of enactment of this Act, may elect after September 30, 1979, to receive payments as computed under the Agricultural Act of 1949, as amended by this Act."

| Commodity | Loan | Target | Parity (Feb. 79) | 90% Parity | 80% Parity Target | 70% Parity Loan | Loan + 9% | Target + 9% |
|---|---|---|---|---|---|---|---|---|
| Wheat (bu) | $ 2.35 | $ 3.40 | $ 5.72 | $ 5.15 | $ 4.58 | $ 4.00 | $ 2.56 | $ 3.71 |
| Cotton (lb.) | 50.23¢ | 57.7¢ | 96.20¢ | 86.56¢ | 76.96¢ | 67.34¢ | 54.75¢ | 62.89¢ |
| Rice (cwt) | 6.79 | 9.05 | 16.40 | 14.76 | 13.12 | 11.48 | 7.40 | 9.86 |
| Corn (bu) | 2.00 | 2.20 | 3.99 | 3.59 | 3.19 | 2.79 | 2.18 | 2.40 |
| Grain sorghum | 1.90 | 2.30 | 3.72 | 3.35 | 2.98 | 2.60 | 2.07 | 2.51 |
| Barley | 1.63 | 2.40 | 3.77 | 3.39 | 3.02 | 2.64 | 1.78 | 2.62 |
| Oats | 1.03 | -- | 2.07 | 1.86 | 1.66 | 1.45 | 1.12 | -- |
| Rye | 1.70 | -- | 3.35 | 3.02 | 2.68 | 2.35 | 1.85 | -- |
| Soybeans | 4.50 | -- | 9.70 | 8.74 | 7.68 | 6.80 | 4.91 | -- |
| Peanuts (tn) | 300. (non-quota) 420. (quota) | -- | 686. | 617. | 549. | 480. | 327. 458. | |
| Sugar (lb.) | Support price .15 | -- | Beet 29.17¢ Cane 30.18¢ | 26.25¢ 27.16¢ | 23.34¢ 24.14¢ | 20.42¢ 21.13¢ | | |
| Tobacco (lb.) | Purchase price 65% parity | -- | 1.58 to 1.97 depending on type | | | | | |
| Dairy (cwt) mfg. milk | purchase 9.64 | -- | 13.57 | 12.21 | 10.86 | 9.50 | 10.51 | |

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, May 16, 1979

Joint
(Sub) Committees on Conservation and Credit, Department Investigations, Oversight, and Research, and Livestock and Grains

Meeting: Public Hearing

Subject: National Fuel Alcohol and Farm Commodity Production Act

Bill Nos. H.R. 3905

The Joint (Sub) Committees met in Open Session at 2:00 p.m. o'clock, in Room 1302 LHOB.

The following Members were present:

| Conservation and Credit | Department Investigations | Livestock and Grains |
|---|---|---|
| Mr. | Mr. | Mr. |
| Mr. Glickman | Mr. de la Garza, Chairman | Mr. Rose, Chairman |
| Mr. Bedell | Mr. Fithian | Mr. Bedell |
| Mr. Daschle | Mr. Skelton | Mr. Daschle |
| Mr. Madigan | Mr. Glickman | Mr. Stenholm |
| Mr. | Mr. Wampler | Mr. de la Garza |
| Mr. | Mr. Grassley | Mr. Fithian |
| Mr. | Mr. | Mr. Skelton |
| Mr. | Mr. | Mr. Sebelius |
| Mr. | Mr. | Mr. Hagedorn |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

ALSO PRESENT:

Mr. Findley

Staff present:

Fowler West, Staff Director
Claude Freeman, Subcommittee Staff Consultant
Bert Pena, Subcommittee Staff Consultant
Anita Brown, Staff Assistant
Jerry Jorgensen, Staff Assistant
Wayne Fletcher, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

Mr. Harry Brown, Office of Energy, Department of Agriculture, was in audience to respond to questions from Members of the Subcommittees

1. Mr. Alvin Alm, Assistant Secretary for Policy Analysis and Evaluation, U.S. Department of Energy, Washington, D.C.
   accompanied by: Dr. Edward H. Blum, Acting Director, Office of Technical Programs Evaluations
   Ms. Marilyn Herman, Chairperson, DOE Alcohol Fuels Policy Review

2. Mr. Gale Shellito, President, Solar Fuels, Inc., Rapid City, S.D.

3. Honorable James S. Abdnor, Member of Congress from South Dakota

4. Mr. Roger Barber, President, Northern Agri-Fuels, Rapid City, South Dakota

5. Dr. George T. Tsao, Laboratory of Renewable Resources Engineering, Purdue University, West Lafayette, Indiana

6. Mr. Rene F. Loser, Chief Executive Officer, Chamapec, Inc., Woodbury, New York

7. Mr. Cloud L. Cray, Jr., President, Midwest Solvents Co., Inc., Atchison, Kansas
   accompanied by: Mr. E.W. Hummers, Jr., Counsel

8. Mr. Harry B. Lyon, American Society of Petroleum Operations Engineers, Alexandria, Va.

9. Mr. James T. Griner, farmer, Nashville, Georgia

10. Mr. Jerry C. Connors, Managing Director, American Automobile Association
    accompanied by: Mr. John Archer, Assistant Director, Legislative Affairs

11. Mr. Al Mavis, Farm Energy Conservation Coordinator, Illinois Department of Agriculture, Springfield, Illinois

12. Mr. Hal Bernton, speaking for Jack Anderson, syndicated columnist, Washington, D.C.

13. Mr. William R. Soleta, Administrator, National Gasohol Commission, Lincoln, Nebr.

14. Ms. D. Jane Drennan, McDermott, Will & Emery, Washington, D.C.
    accompanied by: Mr. M.S. Greisser and Mr. E. A. Pechar, attorneys for Schenly Distillers, Inc.

(continued on page 3)

Statements Filed:

1. Honorable Thomas A. Luken, Member of Congress from Ohio

2. Mr. Cloud L. Cray, Jr., paper on ethanol

3. Mr. Lewis B. Collins, Camilla, Georgia

4. National Farmers Organization, Washington, D.C.

5. Senator Loran Schmidt, Nebraska State Legislature, Lincoln, Nebraska

6. Mr. Lloyd Reeser, Chairman, Gasohol Committee, American Agriculture of Illinois

Subcommittee on Conservation and Credit,
Department Investigations, Oversight, and
Research, and Livestock and Grains
Wednesday, May 16, 1979
Public Hearing
National Fuel Alcohol and Farm Commodity
Production Act

Witnesses - continued from page 2:

15. Mr. Melvin K. Hayenga, Executive Vice President, National Corn Growers Association
accompanied by: Mr. Keith Heffernan, Executive Director

16. Mr. Don Patterson, American Agriculture Movement, The Plains, Va.

Chairman Rose called the meeting to order and the witnesses listed were recognized to present their testimony and answer questions from Members of the Subcommittees as appearing in the record.

Dr. Tsao was introduced by Mr. Fithian, and Mr. Mavis was introduced by Mr. Findley.

During the meeting, recesses were held from 3:00 to 3:15 and 3:25 to 3:30; Mr. Bedell presided from 3:15 to 3:25 and 4:30 to 4:45, Mr. Fithian presided from 3:50 to 4:00 so that Members could respond to votes on the House Floor.

Chairman Rose adjourned the meeting at 6:20 p.m. to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, May 17, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Target Prices of 1979 crops of wheat and feed grains; grain reserve; CFTC letter; peanuts

Bill Nos. H.R. 3398; H.R. 3575; S. 984

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Whitley | Mr. Wampler |
| Mr. de la Garza | Mr. Coelho | Mr. Sebelius |
| Mr. Jones (Tenn.) | Mr. Daschle | Mr. Madigan |
| Mr. Mathis | Mr. Hance | Mrs. Heckler |
| Mr. Bowen | Mr. Anthony | Mr. Jeffords |
| Mr. Rose | Mr. Stenholm | Mr. Kelly |
| Mr. Richmond | Mr. | Mr. Grassley |
| Mr. Nolan | Mr. | Mr. Hagedorn |
| Mr. Weaver | Mr. | Mr. Coleman |
| Mr. Baldus | Mr. | Mr. Marlenee |
| Mr. Harkin | Mr. | Mr. Hopkins |
| Mr. English | Mr. | Mr. Thomas |
| Mr. Panetta | Mr. | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Glickman | Mr. | |
| Mr. Akaka | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Claude Freeman, Subcommittee Staff Consultant
Bob Cashdollar, Subcommittee Staff Consultant
Leighton Lang, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

Witnesses:

Present from the United States Department of Agriculture and responded to Member's questions were:

1. Mr. Stuart Smith, Associate Administrator, Agricultural Stabilization and Conservation Service, USDA.

2. Mr. Bill Cherry, Executive Assistant to the Administrator, Agricultural Stabilization and Conservation Service, USDA.

3. Mr. Sam Garst, Office of Congressional Affairs, USDA.

Statements Filed:

None

Thursday, May 17, 1979
Full Committee
Business Meeting
Target prices for 1979 crops of wheat and feed grains; grain reserve; CFTC; peanuts
H.R. 3398; H.R. 3575, S. 984

Action Taken:

-- By roll call vote of 10 yeas-22 nays Sebelius amendment (9 1/2% increase in target price for wheat and feed grains) not approved.

-- Stenholm amendment to increase loan rates by 9 1/2 percent not agreed to by show of hands vote 6 yeas-12 nays.

-- By show of hands vote of 5 yeas-12 nays Harkin amendment basing target price upon state average not approved.

-- Kelly amendment changing effective date not approved by voice vote.

-- By voice vote, H.R. 3398 ordered reported with the recommendation that it do pass in the presence of a quorum.

-- By show of hands vote 23 yeas-1 nay Mathis motion to instruct Chairman and Ranking Minority Member to write Chairman of the Commodity Futures Trading Commission and President of Chicago Board of Trade approved.

-- Without objection, Mathis amendment to H.R. 3575 approved.

-- By unanimous voice vote in the presence of a quorum, H.R. 3575, amended, ordered reported to the House.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. English
2. Mr. Huckaby
3. Mr. Daschle
4. Mr. Hance
5. Mr. Stenholm
6. Mr. Wampler
7. Mr. Sebelius
8. Mr. Coleman
9. Mr. Marlenee
10. Mr. Foley
11. Mr. de la Garza
12. Mr. Richmond
13. Mr. Kelly
14. Mr. Madigan

Fourteen Members having responded, a one-third quorum was established pursuant to previous notice under Committee Rules.

Thursday, May 17, 1979
Full Committee
Business Meeting
Target prices for 1979 crops of wheat and feed grains; grain reserve; CFTC; peanuts
H.R. 3398; H.R. 3575; S. 984

Mr. Sebelius was recognized to explain his pending amendment (see minutes of May 16) which would provide for a 9 1/2 percent increase in the target price for wheat and feed grains. Discussion occurred and by a show of hands vote of 8 yeas-9 nays the amendment was not agreed to. Mr. Kelly requested a recorded vote and 5 Members sustained the request. The vote follows:

Y E A S

1. Mr. Nolan
2. Mr. Glickman
3. Mr. Hance
4. Mr. Wampler
5. Mr. Sebelius
6. Mr. Madigan
7. Mr. Jefford
8. Mr. Marlenee
9. Mr. Symms (proxy to Mr. Sebelius)
10. Mr. Johnson (proxy to Mr. Sebelius)

N A Y S

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Mathis
4. Mr. Rose
5. Mr. Richmond
6. Mr. English
7. Mr. Huckaby
8. Mr. Whitley
9. Mr. Daschle
10. Mr. Anthony
11. Mr. Stenholm
12. Mr. Kelly
13. Mr. Grassley
14. Mr. Hagedorn
15. Mr. Coleman
16. Mr. Foley
17. Mr. Jones (N.C.)(proxy to Mr. Foley)
18. Mr. Bedell (proxy to Mr. Foley)
19. Mr. Fithian (proxy to Mr. Foley)
20. Mr. Bowen (proxy to Mr. Foley)
21. Mr. Brown (proxy to Mr. Foley)
22. Mr. Akaka (proxy to Mr. Foley)

Thus, by a roll call vote of 10 yeas-22 nays the Sebelius amendment was not agreed to.

Mr. Stenholm offered an amendment to increase the loan rates for wheat, corn, grain sorghum and barley by 9 1/2 percent, as follows:

> Page 2, line 9, insert immediately following the first period: "Notwithstanding any other provision of law, the Secretary shall make available to producers loans and purchases for the 1979 crop of wheat, corn, grain sorghum, and barley at a level of $2.57 per bushel for wheat, $2.19 per

Thursday, May 17, 1979
Full Committee
Business Meeting
Target prices for 1979 crops of wheat and feed grains; grain reserve; CFTC; peanuts
H.R. 3398; H.R. 3575; S. 984

per bushel for corn, $2.08 per bushel for grain sorghum, and $1.78 per bushel for barley.".

Discussion occurred on the amendment and by a show of hands vote of 6 yeas-12 nays the Stenholm amendment was not approved.

Mr. Harkin offered the attached amendment to base the target price upon a state average (state by state) rather than a national average. Discussion occurred on the amendment and by a show of hands vote of 5 yeas-12 nays the amendment was not agreed to.

Mr. Kelly offered the following amendment to change the effective date of the legislation, as follows:

Strike "1979" wherever it appears in the bill and insert in lieu thereof "1980".

Discussion occurred and by a voice vote the amendment was not agreed to. Mr. Kelly requested a recorded vote and 1 Member (an insufficient number) voted to sustain the request.

Mr. English moved that H.R. 3398 be reported to the House with the recommendation that it do pass. By a voice vote and in the presence of a quorum (23 Members present at the time the vote was taken) the motion was agreed to. Members were given three legislative days in which to submit views for inclusion in the Committee report, and staff was given permission to make technical and clerical corrections.

Chairman Foley read into the record draft letters to the Chairman of the Commodity Futures Trading Commission and to the President of the Chicago Board of Trade (copies attached) requesting certain information for an investigation being conducted by the Conservation and Credit Subcommittee. Discussion occurred on the matter. Mr. Mathis moved that the Committee instruct the Chairman and Ranking Minority Member to make the requests, and discussion continued. By a show of hands vote of 23 yeas-1 nay the motion was agreed to. Mr de la Garza asked that the record reflect that he had voted against the motion.

Mr. Coleman was recognized to discuss the attached communication to Energy Secretary Schlesinger concerning an allocation grant to Farmland Industries, the largest farmer cooperative in the United States, of diesel fuel. All Members desiring to co-sign the communication were asked to contact Mr. Coleman.

Thursday, May 17, 1979
Full Committee
Business Meeting
Target prices for 1979 crops of wheat and feed grains; grain reserve; CFTC; peanuts
H.R. 3398; H.R. 3575; S. 984

Chairman Foley recognized Mr. Mathis, Chairman of the Subcommittee on Oilseeds and Rice, to explain the provisions of H.R. 3575, a bill to provide the Secretary of Agriculture with flexibility in the imposition of marketing penalties for peanuts (Subcommittee amendment attached).

Discussion occurred on the legislation. Mr. Mathis moved to amend H.R. 3575, by striking all after the enacting clause and inserting in lieu thereof the language of S. 984, as passed by the Senate (amendment attached). Without objection the Mathis amendment was agreed to.

Mr. de la Garza advised that he had an amendment (copy attached) which he would not offer at this time in order to facilitate passage of the bill, but he asked that the Oilseeds and Rice Subcommittee hold hearings on the matter with the view toward reporting the amendment as a separate measure.

Mr. Mathis moved that H.R. 3575, as amended, be ordered reported to the House with the recommendation that it do pass. By a unanimous voice vote in the presence of a quorum (22 Members present at the time the vote was taken) the motion was agreed to.

The Committee discussed the attached materials submitted by the USDA concerning the release of the grain reserve. Mr. Glickman asked that the Department submit addition information on the rationale for the action.

During the proceedings one recess was taken at 11:15 a.m. to enable Members to respond to a recorded vote on the House Floor. At 12:15 p.m. the meeting was adjourned to reconvene at 10:30 a.m. on Wednesday, May 23, for consideration of H.R. 3514 (cotton) and H.R. 4057 (food stamps).

Glenda Temple

Amendment to H.R. 3398

Offered by Mr. Harkin

Page 2, immediately following line 9, insert the following and renumber succeeding sections accordingly:

Sec. 3 That effective for the 1979 through 1981 crops of feed grains, the first sentence of Section 105A(b)(1)(B) of the Agricultural Act of 1949 (7 U.S.C. 1444c(b)(1)(B) is amended—

(1) by striking out "The payment rate for corn shall be the amount" and inserting in lieu thereof "A payment rate shall be established for corn for each State at the amount which is";

(2) by striking out "national" and inserting in lieu thereof "statewide"; and

(3) by inserting "in such state" after "received by farmers.".

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ROBERT M. SOR,
CHIEF COUNSEL

JOHN E. HOGAN,
COUNSEL

JOHN R. KRAMER,
SPECIAL COUNSEL

BERNARD BREMER,
PRESS SECRETARY

U.S. House of Representatives
Committee on Agriculture
Room 1301, Longworth House Office Building
Washington, D.C. 20515

May 16, 1979

Dear Mr. Chairman:

The Subcommittee on Conservation and Credit of the House Committee on Agriculture is continuing to investigate the circumstances surrounding the trading of the December, 1978, and March, 1979, wheat futures contracts on the Chicago Board of Trade. During public hearings on March 28, 1979, it became apparent the Subcommittee did not have sufficient detailed information on which to base an adequate evaluation of the circumstances.

To further this effort, it is requested the Commodity Futures Trading Commission provide in full the following information and material:

1. The names and addresses of the two largest speculative traders in the December, 1978, Chicago Board of Trade wheat futures contract to which CFTC's March 29, 1979, statement referred and identify which is trader A and which is trader B in Appendix C-1.

2. The names and addresses of the five largest speculative traders in the March, 1979, Chicago Board of Trade wheat futures contract to which the CFTC's March 28, 1979, statement referred and identify each trader A through F in Appendix F-1.

3. With respect to the traders listed in items 1 and 2 above, the following information regarding purchases and sales of December, 1978, or March, 1979, wheat futures contracts on the Chicago Board of Trade:

   A. Purchase and sales statements, and monthly activity statements, which we understand contain:

      (1) Dates of each trade.

      (2) Quantities bought, sold, delivered, received, or otherwise liquidated.

      (3) Prices of each transaction.

B. Records showing any disposition of wheat taken on delivery, including the date, price, and parties.

C. Any written orders entered by or on behalf of these traders which were not executed in whole or in part.

4. U.S. Department of Agriculture cash wheat prices for the period December 1, 1978 - March 31, 1979, for Chicago, Toledo, Minneapolis, St. Louis and Kansas City.

5. Surveillance sheets used to brief the Commission on December, 1978, and March, 1979, Chicago Board of Trade wheat.

6. Any notes, memoranda, reports, summaries, or other written records prepared by any Commissioner or employee of the Commission pertaining to December, 1978, or March, 1979, Chicago Board of Trade wheat.

7. Names, addresses, and positions of all short traders in the December, 1978, and March, 1979, Chicago Board of Trade wheat who held over 1 million bushels on each day during the delivery months of these two futures.

8. Wheat stocks in deliverable position during December, 1978, and March, 1979, for Chicago Board of Trade wheat contracts.

9. A detailed description of any violations of the Commodity Exchange Act or regulations thereunder during the past 10 years in which any of the parties identified in item 2 were involved.

10. The CFTC's rule enforcement review report of the Chicago Board of Trade and any correspondence, memoranda, or notes pertaining to it.

11. Provide all information with respect to any actions taken by CFTC to ensure enforcement of CBOT's own rules and regulations relating to the December, 1978, and March, 1979, CBOT wheat futures contract.

Thank you for your assistance and cooperation.

Sincerely,

William C. Wampler
Ranking Minority Member

Thomas S. Foley
Chairman

The Honorable James M. Stone
Chairman
Commodity Futures Trading Commission
2033 K Street, N. W.
Washington, D. C. 20581

THOMAS S. FOLEY, WASH.
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SPECIAL COUNSEL

BERNARD BRENNER,
PRESS SECRETARY

U.S. House of Representatives
Committee on Agriculture
Room 1301, Longworth House Office Building
Washington, D.C. 20515

May 16, 1979

Dear Mr. Wilmouth:

The Subcommittee on Conservation and Credit of the House Committee on Agriculture is continuing its investigation of the circumstances surrounding the trading of the December, 1978, and March, 1979, wheat futures contracts on the Chicago Board of Trade. During public hearings on March 28, 1979, it became apparent the Subcommittee did not have sufficient detailed information on which to base an adequate evaluation of the circumstances. At those hearings you indicated a willingness to provide additional information.

The information in your letter of April 10, 1979, was useful and appreciated. However, to further this effort, it is requested that you provide in full the following information and material:

1. A chronology of the Board of Trade's deliberations, whether they be official or unofficial, on the December, 1978, and March, 1979, wheat futures contracts.

2. Copies of detailed official minutes of any meetings by any Committee, or Board, or officer, or an employee of the Chicago Board of Trade pertaining to the trading of the December, 1978, Chicago Board of Trade wheat futures contract and the March, 1979, Chicago Board of Trade wheat futures contract. With respect to each person attending any such meetings, please provide the information requested in item number 4.

3. Any unofficial notes, minutes, transcripts, or other record of such deliberations as referred to in item 1 above. Any correspondence and other records prepared by any Committee, Board, officer, or employee of the Chicago Board of Trade with regard to the wheat contracts referred to above.

4. The following information for the five largest long traders referred to in the CFTC's testimony as it pertains to the March, 1979, Chicago Board of Trade wheat futures contracts:

A. Name of each trader.

B. Indicate whether each is a member of the Chicago Board of Trade and whether each was a member during the trading period of the December, 1978, and March, 1979, CBOT wheat futures contracts.

C. If so, when each became a member.

D. Any firm or firms with which each is associated.

E. Any identification and description of business or contractual relationships that exist or existed among any such members or firms.

5. A description of any oral assurance or other representations and a copy of any written assurance or other representations to the CFTC or the Board of Trade or any Committee or Board thereof, provided by any of these five traders or their representatives in connection with their trading activity and intentions in both the December, 1978, or March, 1979, Chicago Board of Trade wheat futures contracts and how these assurances and representations were honored or reached.

6. For the same individuals, copies of any written disciplinary actions or warnings and a detailed description of any oral disciplinary actions or warnings issued by the Chicago Board of Trade or any of its committees, officers, or boards thereof to the traders whose names are provided in question 4.

7. Identification of any committees, boards, or offices in any entity related to futures trading industry upon which any of these individuals presently serve and served during the trading period for the December, 1978, and March, 1979, CBOT wheat futures contracts.

8. A detailed description of any participation, including any votes or discussions by any of the five traders mentioned in number 4, in any meetings held by the Chicago Board of Trade or any committee, officer or employee thereof in conjunction with the trading of the December, 1978, and the March, 1979, CBOT wheat futures contracts.

9. Copies of all correspondence either from or to the CFTC relating to its most recent rule enforcement review report including a status report on the specific improvements recommended by the CFTC.

10. Describe in detail any CBOT rules or regulations which were violated by the five traders named in item 4, the manner in which they were violated, a detailed description of any investigations conducted or being conducted with respect thereto, and any disciplinary action instituted, if any, with respect to these individuals as to the contracts listed in item 1.

11. Provide the information requested in item 10 with respect to any other violations of the CBOT rules and regulations by the five traders for the past 10 years.

Thank you for your assistance and cooperation.

Sincerely,

Bill Wampler

William C. Wampler
Ranking Minority Member

Thomas S. Foley
Chairman

Mr. Robert K. Wilmouth
President
Chicago Board of Trade
LaSalle at Jackson
Chicago, Illinois 60604

E. THOMAS COLEMAN
6TH DISTRICT, MISSOURI

COMMITTEES:
AGRICULTURE
SUBCOMMITTEES:
LIVESTOCK AND GRAINS
CONSERVATION AND CREDIT
FAMILY FARMS, RURAL DEVELOPMENT AND SPECIAL STUDIES
DISTRICT OF COLUMBIA

# Congress of the United States
## House of Representatives
## Washington, D.C. 20515

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WASHINGTON, D.C. 20515
(202) 225-7041

DISTRICT OFFICES:
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NORTH KANSAS CITY, MISSOURI 64116
(816) 474-9035

POST OFFICE AND FEDERAL BUILDING
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(816) 364-3900

May 17, 1979

Dear Agriculture Committee Colleague:

Farmland Industries, Inc., our nation's largest farmer cooperative, is faced with a dire shortage of diesel fuel due to severe crude oil cutbacks by its major supplier. Farmland's supplier is cutting 671,000 barrels of crude from Farmland's June allotment which will leave it with only 40% of diesel fuel requirements for agriculture.

Farmland, whose world headquarters is located in my district, has applied for an emergency allocation of oil through the Department of Energy. Without this allocation some 500,000 farmers, through 2,300 cooperatives in 15 states, will not have the diesel fuel necessary to plant and harvest their produce. In Kansas and Nebraska alone, such a fuel shortage would translate into a 25% loss of wheat production.

Attached is a telegram to Secretary of Energy James R. Schlesinger, urging him to immediately approve the Farmland request. I am asking that you co-sign this telegram in order to express your concern about this grave situation.

You may either sign the attached copy and return it to me, or call Linda Turner of my staff, 225-5043, and inform her of your willingness to co-sign.

I know that you agree we need to support our farmers in this urgent situation.

Sincerely,

Tom

E. THOMAS COLEMAN
Member of Congress

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Send the following message, subject to the Telegraph Company's conditions, rules and regulations, which are on file with regulatory authorities.

Honorable James Schlesinger
Secretary of Energy
Department of Energy
Washington, D.C.

We, the undersigned members of the House Agriculture Committee are gravely concerned about the emergency facing Farmland Industries, Inc., as the result of a 671,000 barrel cutback of crude oil supplies by its major supplier. Farmland has applied for an emergency allocation through the Department of Energy for oil, and diesel fuel, to meet the needs of its 500,000 farmers through 2,300 cooperatives in 15 states. Without this emergency allocation, planting and harvesting throughout the midwest will be severely and adversely affected. We urgently request your immediate approval of Farmland's application.

Congressman Tom Coleman
Mo. - 6th

SUBCOMMITTEE PRINT - AS REPORTED BY THE SUBCOMMITTEE ON OILSEEDS AND RICE - April 26, 1979

I

96TH CONGRESS
1ST SESSION

# H. R. 3575

To provide the Secretary of Agriculture with flexibility in the imposition of marketing penalties for peanuts.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 1979

Mr. MATHIS introduced the following bill; which was referred to the Committee on Agriculture

---

# A BILL

To provide the Secretary of Agriculture with flexibility in the imposition of marketing penalties for peanuts.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 359(a) of the Agricultural Adjustment Act of 1938, as amended, is further amended by adding at the end thereof the following sentence: "Effective beginning with the 1978 crop, the ~~The~~ amount of any penalty imposed under this section may be reduced in accordance with regulations established by the Secretary if he determines that the marketing subject to the penalty was done unintentionally or unknowingly and that a reduction in the amount of such penalty would not impair the effective operation of the peanut price support program.".

AMENDMENT TO H.R. 3575
OFFERED BY
MR. MATHIS

Strike everything after the enacting clause and insert the language of the Senate-passed bill (S. 984) as follows:

That, effective for the 1978 through 1981 crops of peanuts, section 359 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1359), is amended by adding at the end thereof a new subsection (k) as follows:

"(k) Notwithstanding any other provision of this section, the amount of any penalty assessed under this section may be reduced, in accordance with regulations issued by the Secretary, if the Secretary determines that the marketing subject to the penalty was done unintentionally or unknowingly and that a reduction in the amount of the penalty would not impair the effective operation of the price support program for peanuts.".

H.R. 3575

AMENDMENT OFFERED BY MR. de la GARZA

Page 1, line 5, delete the word "sentence" and insert in lieu thereof "sentences".

Page 2, line 2, immediately following "support program." insert the following:

"Effective beginning with the 1978 crop, no penalty shall be imposed under this section with respect to the marketing of peanuts grown on prison farms in any State for consumption within the prison system of such State.".

## HOW ASCS DETERMINES GRAIN RESERVE RELEASE LEVELS

Release levels for grain stored in the farmer-owned reserve are determined and announced by the Agricultural Stabilization and Conservation Service (ASCS) when the national average market price is at least 140 percent of the current loan rate for wheat or rice, and 125 percent for feed grains.

The national average market price is used to calculate the release levels because of price differentials in grain market areas. To allow certain areas or particular classes of grain to enter the market while others are still locked into the reserve might dampen upward price movements. Also, this would tend to favor farmers in traditionally higher priced market areas since the major producing areas which are normally lower priced, would be required to hold their supplies off the market.

ASCS releases commodities from the reserve when:

1. The mid-month price furnished by the Economics Statistics and Cooperatives Services (ESCS), is 145 percent or more of the current national loan level for wheat (130 percent for feed grains). ESCS obtains the mid-month prices from 75 percent of the mills and elevators. (ESCS prices are those received by farmers at all locations.)

2. The ESCS mid-month price is between 140 and 145 percent of the current national loan level for wheat; 125 and 130 percent for feed grains; and the trend of daily prices furnished by the Agricultural Marketing Service (AMS), for the past 10 market days indicates that release should be authorized.

3. Anytime the average AMS price for the last five market days -- adjusted downward to reflect prices received by farmers -- equals or exceeds 140 percent of the current wheat national loan level and 125 percent of the feed grain loan level and prices are trending upward.

The basic consideration is the ESCS mid-month price, available on the last day of the month, since it reflects the most recent prices actually received by farmers. AMS market prices are reviewed daily to see if an uptrend in the market indicates that release should be authorized.

A release determination is made each day. Prices are collected in AMS daily for predetermined major markets which differ for each commodity. The average of major markets are computed and applied to the previous daily averages.

-over-

For wheat, the four major markets are: Kansas City, Portland, Minneapolis and Chicago. For corn; Kansas City, Omaha, Chicago, St. Louis and Minneapolis.

In computing major market prices, ASCS:

A. Adds the market prices reported by AMS and establishes a total for the major markets,

B. Divides the total by the number of major markets to get an average for the day.

C. Adds the average for the day to the four prior days to establish a total for five days, and

D. Divides this figure by five to arrive at a five-day average.

Since the AMS prices are bids or offers at the major market locations, an adjustment factor is applied to the five-day average. The adjustment factor is obtained by comparing the AMS price for the major markets on the 15th of any given month with the mid-month average prices announced by ESCS. By deducting the monthly adjustment factor, ASCS determines the daily price that farmers are receiving.

Here is an example showing how the national average market price for wheat was determined on Jan. 25:

Major Wheat Market Prices:

| | | |
|---|---|---|
| Kansas City | 3.49 | |
| Chicago | 3.76 | |
| Minneapolis | 3.35 | |
| Portland | +3.70 | |
| | 14.30 | ÷ 4 = $3.57 (Average Price for Jan. 25.) |

Five-Day Average for Major Wheat Markets

| | | |
|---|---|---|
| Jan. 19 | 3.58 | |
| Jan. 22 | 3.57 | |
| Jan. 23 | 3.57 | |
| Jan. 24 | 3.58 | |
| Jan. 25 | +3.57 | |
| | 17.87 | ÷ 5 = $3.57 ( Five-Day average) |
| | | -.50 Adjustment Factor |
| | | $3.07 Natl. Avg. Price Received by Farmers on January 28. |

If the national average price received by farmers had totaled $3.29, and daily prices were trending upward, release would have been authorized.

---

(ASCS Information Division, 2-9-79)

Farmer-Held Grain Reserve
Storage Stop Determinations

Once the U.S. average price hits the release level (wheat - $3.29 per bushel) any farmer holding reserve grain may at his option repay his loan and sell his reserve grain. However, a farmer who wishes to continue holding grain in his reserve will continue to earn storage (even while in release status) so long as the State average loan rate plus the difference between the national loan rate and the national release level (wheat national release level - $3.29 minus national loan rate $2.35 equals 94 cents) is more than the average price received by farmers for that individual State. Prices received by farmers will be based on ESCS mid-month price published for that State.

Examples

Minnesota average loan rate of $2.44 plus 94 cents equals $3.38. Prices received by farmers at mid-month equals $3.30. In this case, storage payments will continue until prices received by farmers equal at least $3.38 or more.

Colorado average loan rate of $2.17 plus 94 cents equals $3.11. Prices received by farmers at mid-month equals $3.20. In this case, storage payments will stop even though the $3.20 is less than the national average release level of $3.29.

Texas average loan rate of $2.37 plus 94 cents equals $3.31. Prices received by farmers at mid-month equals $3.40. In this case, storage payments will also stop.

RELEASE LEVEL — $3.29 — $2.50 — $1.29 — $2.04 — $4.24

| | WHEAT .56 | | | | CORN .18 | | | | OATS .20 | | | | BARLEY .28 | | | | SORGHUM | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | MAJOR MKT | TOTAL | 5 DAY AVG | ADJ'D | MAJOR MKT | TOTAL | 5 DAY AVG | ADJ'D | MAJOR MKT | TOTAL | 5 DAY AVG | ADJ'D | MAJOR MKT | TOTAL | 5 DAY AVG | ADJ'D | MAJOR MKT | TOTAL | 5 DAY AVG |
| MAY 1, 1979 | 369 | 1832 | 366 | 3.10 | 252 | 1242 | 248 | 2.30 | 145 | 720 | 144 | 1.24 | 2.17 | 1087 | 2.17 | 1.89 | 395 | 1971 | 3.9 |
| " 2 " | 377 | 1846 | 369 | 3.13 | 256 | 1250 | 250 | 2.32 | 146 | 721 | 144 | 1.24 | 2.18 | 1089 | 2.17 | 1.89 | 402 | 1980 | 3.9 |
| " 3 " | 375 | 1858 | 372 | 3.16 | 256 | 1260 | 252 | 2.34 | 148 | 726 | 145 | 1.25 | 2.19 | 1088 | 2.18 | 1.90 | 402 | 1990 | 3.9 |
| " 4 " | 376 | 1866 | 373 | 3.17 | 257 | 1270 | 254 | 2.36 | 150 | 733 | 147 | 1.27 | 2.19 | 1090 | 2.18 | 1.90 | 407 | 2002 | 4.00 |
| " 7 " | 373 | 1870 | 374 | 3.18 | 250 | 1271 | 254 | 2.36 | 148 | 737 | 147 | 1.27 | 2.19 | 1092 | 2.18 | 1.90 | 393 | 1989 | 4.00 |
| " 8 " | 374 | 1875 | 375 | 3.19 | 252 | 1271 | 254 | 2.36 | 149 | 744 | 148 | 1.28 | 2.19 | 1094 | 2.19 | 1.91 | 394 | 1998 | 4.00 |
| " 9 " | 383 | 1881 | 376 | 3.20 | 256 | 1271 | 254 | 2.36 | 149 | 744 | 149 | 1.29 | 2.20 | 1096 | 2.19 | 1.91 | 399 | 1995 | 3.99 |
| " 10 " | 382 | 1888 | 378 | 3.22 | 256 | 1271 | 254 | 2.36 | 151 | 747 | 149 | 1.29 | 2.20 | 1097 | 2.19 | 1.91 | 408 | 2001 | 4.0 |
| " 11 " | 389 | 1901 | 380 | 3.24 | 255 | 1269 | 254 | 2.36 | 153 | 750 | 150 | 1.30 | 2.20 | 1098 | 2.20 | 1.92 | 406 | 2000 | 4.0 |
| " 14 " | 393 | 1921 | 384 | 3.28 | 254 | 1273 | 255 | 2.37 | 154 | 756 | 151 | 1.31 | 2.23 | 1102 | 2.20 | 1.92 | 407 | 2014 | 4.03 |
| " 15 " | 388 | 1935 | 387 | 3.31 | 252 | 1273 | 255 | 2.37 | 154 | 761 | 152 | 1.32 | 2.24 | 1107 | 2.21 | 1.93 | 407 | 2027 | 4.05 |
| " 16 " | 383 | 1935 | 387 | 3.31 | 250 | 1267 | 253 | 2.35 | 152 | 764 | 153 | 1.33 | 2.23 | 1110 | 2.22 | 1.94 | 404 | 2032 | 4.0 |
| " 17 " | | | | | | | | | | | | | | | | | | | |
| " 18 " | | | | | | | | | | | | | | | | | | | |
| " 21 " | | | | | | | | | | | | | | | | | | | |
| " 22 " | | | | | | | | | | | | | | | | | | | |
| " 23 " | | | | | | | | | | | | | | | | | | | |
| " 24 " | | | | | | | | | | | | | | | | | | | |
| " 25 " | | | | | | | | | | | | | | | | | | | |
| " 28 " | | | | | | | | | | | | | | | | | | | |
| " 29 " | | | | | | | | | | | | | | | | | | | |
| " 30 " | | | | | | | | | | | | | | | | | | | |
| " 31 " | | | | | | | | | | | | | | | | | | | |

HOLIDAY

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, May 17, 1979

(Sub) Committee on Family Farms, Rural Development, and Special Studies

Meeting: Public Hearing

Subject: Agricultural Land Protection Act of 1979

Bill Nos. H.R. 2551

The Family Farms, Rural Development, and Special Studies (Sub) Committee met in Open Session at 10:00 a.m. o'clock, in Room 1302 LHOB.

The following Members were present:

| | ALSO PRESENT | |
|---|---|---|
| Mr. Nolan, Chairman | Mr. Jeffords | Mr. |
| Mr. Anthony | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Jim Swiderski, Subcommittee Staff Director
Steve Adams, Staff Assistant
George Dunsmore, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Honorable James M. Jeffords, Member of Congress from Vermont

2. Panel: State of Washington Dleegation to Congress

   Honorable Joel Pritchard
   Honorable Don Bonker
   Honorable Norman D. Dicks
   Honorable Michael E. Lowry

3. Panel: Northeast-Midwest Coalition

   Honorable Robert W. Edgar of Pennsylvania, Chairman
   Honorable James L. Oberstar of Minnesota, Co-Chairman

4. Panel: Research Activity

   Mr. Charles Boothby, National Association of Conservation Districts, Washington, D.C.
   Dr. J. D. Esseks, Northern Illinois University, DeKalb, Illinois
   Dr. Thomas King, Dean, University Extension Service, Pennsylvania State University

5. Hon. Philip Alampi, Secretary, Department of Agriculture, State of New Jersey, for National Governors Conference and National Association State Departments of Agriculture

6. Panel: County Officials

   Mr. Robert Greenstein, Trustee, Canton Charter Township, Wayne County, Michigan
   Mr. John Hardesty, Chairman, Clark County Board of Supervisors, Virginia

   National Association of Counties
      Mr. Gerald Fisher, Supervisor, Albemarle County, Virginia
      Mrs. Ruth Keeton, Councilwoman, Howard County, Maryland
      Mr. Floyd Linton, Legislator, Suffolk County, New York

Statements Filed:

Mr. Robert Greenstein, Trustee, Canton Charter Township, Wayne County, Michigan

Honorable Charles Grassley, Member of Congress from Iowa

Subcommittee on Family Farms, Rural
Development, and Special Studies
Thursday, May 17, 1979 - A.M.
Public Hearing
Agricultural Land Protection Act

Chairman Nolan called the meeting to order and the witnesses were recognized in the order listed on page 2 for their prepared testimony and questioning as appearing in the record.

The meeting was recessed at 10:35 for five minutes to enable Members to answer a quorum call in full Committee.

Congressman Jeffords was asked to sit with the Subcommittee and he presided from 11:25 until 12:15 when the meeting was adjourned to reconvene at 2:00 p.m. this date to hear further testimony on the Agricultural Land Protection Act.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, May 17, 1979

(Sub) Committee ~~on Family Farms, Rural Development, and Special~~ Studies

Meeting: ~~Public~~ Hearing

Subject: Agricultural Land Protection Act of 1979

Bill Nos. H.R. 2551

The Family Farms, Rural Development, and Special Studies (Sub) Committee met in Open Session at 2:00 p.m. o'clock, in Room 1302 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. Jeffords, Act. Chairman | Mr. | Mr. |
| Mr. Grassley | Mr. | Mr. |
| Mr. Sebelius | Mr. | Mr. |
| Mr. Thomas | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Jim Swiderski, Subcommittee Staff Director
Steve Adams, Staff Assistant
George Dunsmore, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Panel: State Officials

   Mr. Alan Musselman, Executive Director, Maryland Agricultural Land Preservation Foundation, Annapolis, Maryland
   National Conference of State Legislatures
   Honorable Ron Taylor, State Representative, North Carolina
   Honorable James Clark, State Senator, Maryland

2. Panel: Agricultural Organizations
   Mr. Reuben Johnson, National Farmers Union, Washington, D.C.
   Mr. David R. Lambert, The National Grange, Washington, D.C.
   Mr. Bruce Hawley, American Farm Bureau Federation, Washington, D.C.
   Mr. Ronald A. Michieli, National Cattlemen's Association, Washington, D.C.
   Mr. Jack Campbell, Executive Director, Dade County Agricultural Coalition, Florida City, Florida

3. Honorable Charles Imbrecht, State Representative, California

4. Panel: Conservation Organizations
   Ms. Jennie Gerard, Trust for Public Lands, San Francisco, Calif.
   Mr. Tom Barlow, Natural Resources Defense Council, Washington, D.C.
   Col. Kenneth Hampton, National Wildlife Federation, Washington, D.C.
   Mr. Powell Harrison, Piedmont Environmental Council, Wajrenton, Va.

Statements Filed:

47-987 O - 79 - 28

Subcommittee on Family Farms, Rural
Development, and Special Studies
Thursday, May 17, 1979 P.M.
Public Hearing
Agricultural Land Protection Act

Acting Chairman Jeffords called the meeting to order and recognized the witnesses in the order listed on page 2 for their prepared testimony and questioning as appearing in the record.

Witness Imbrecht was introduced by Mr. Thomas.

The meeting was adjourned at 4:05 p.m. to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, May 22, 1979

(Sub) Committee Dairy and Poultry

Meeting: Business

Subject: 80 percent parity for milk

Bill Nos. H.R. 80

The Dairy and Poultry (Sub) Committee met in open Session at 2:00 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Baldus | Mr. | Mr. |
| Mr. Akaka | Mr. | Mr. |
| Mr. Coelho | Mr. | Mr. |
| Mr. Anthony | Mr. | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. Jeffords | Mr. | Mr. |
| Mr. Kelly | Mr. | Mr. |
| Mr. Hagedorn | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Tony Imhof, Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Al Zepp, Subcommittee Staff Consultant
George Dunsmore, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to questions concerning milk marketing orders:

1. Mr. Sidney Cohen, Chief, Dairy Branch, Procurement and Sales Division, Agricultural Stabilization and Conservation Service, USDA.

Statements Filed:

None

Tuesday, May 22, 1979
Dairy and Poultry Subcommittee
Business Meeting
80 percent parity for milk
H.R. 80

Action Taken:

— Without objection, Baldus technical amendment to H.R. 80 agreed to.

— By unanimous voice vote in the presence of a quorum H.R. 80, as amended, ordered reported to the full Committee.

Chairman Baldus called the meeting to order for the purpose of marking up H.R. 80, a bill to require that the price of milk be supported at not less than 80 per centum of the parity price therefor. Without objection the legislation was considered as read and open for amendment at any point.

Chairman Baldus offered a technical amendment to page 1, line 4, by striking "Agriculture Act of 1949" and inserting in lieu thereof "Agricultural Act of 1949", and amend the title accordingly. Without objection the amendment was approved.

Mr. Jeffords moved that H.R. 80, as amended,be ordered favorably reported to the full Committee. By a unanimous voice vote and in the presence of a quorum (7 Members present at the time the vote was taken), the motion was agreed to. Staff was directed to prepare a clean bill for introduction and consideration by the full Committee.

The Subcommittee discussed casein and directed staff to look into the situation with the possibility of holding hearings on the matter. Chairman Baldus also advised that the Subcommittee might hold hearings, both in Washington and regional, on milk marketing orders, labeling foods, the whey problem.

Chairman Baldus advised that the Subcommittee may take a trip to Canada July 4-9 and he asked the Subcommittee Members to let him know if they desired to go on the fact finding trip.

The Subcommittee also discussed the status of dairy products with regard to the MIN and staff advised that specific information could not be made available in open session since the Conference Committee is meeting in executive session and the information is not presently available.

At 3:00 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, May 23, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Upland Cotton

Bill Nos. H.R. 3514

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Coelho | Mr. Wampler |
| Mr. de la Garza | Mr. Daschle | Mr. Sebelius |
| Mr. Jones (Tenn.) | Mr. Hance | Mr. Johnson |
| Mr. Mathis | Mr. Anthony | Mrs. Heckler |
| Mr. Bowen | Mr. Stenholm | Mr. Jeffords |
| Mr. Rose | Mr. | Mr. Grassley |
| Mr. Richmond | Mr. | Mr. Hagedorn |
| Mr. Weaver | Mr. | Mr. Coleman |
| Mr. Harkin | Mr. | Mr. Marlenee |
| Mr. Bedell | Mr. | Mr. Hopkins |
| Mr. English | Mr. | Mr. Thomas |
| Mr. Panetta | Mr. | Mr. |
| Mr. Skelton | Mr. | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Akaka | Mr. | |
| Mr. Whitley | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Glenda Temple, Clerk
John Waits, Subcommittee Staff Consultant
Linda Miller, Staff Assistant

Witnesses:

1. Mr. Charles Cunningham of the Agricultural Stabilization and Conservation Service represented the United States Department of Agriculture and responded to questions concerning the cotton program.

Statements Filed:

None

Wednesday, May 23, 1979
Full Committee
Business Meeting
Upland Cotton
H.R. 3514

Action Taken:

-- Without objection Bowen amendment basing diversion on 1979 rather than 1978 planted acres agreed to.

-- By unanimous voice vote, Hagedorn amendment to Bowen amendment approved. The Hagedorn amendment added feed grains to the prevented planting disaster payments provision.

-- By unanimous voice vote, Bowen amendment, as amended, providing for prevented planting disaster payments agreed to.

-- Staff directed to introduce clean bill for further consideration by the Committee.

Wednesday, May 23, 1979
Full Committee
Business Meeting
Upland Cotton
H.R. 3514

Acting Chairman de la Garza called the meeting to order and recognized Mr. Bowen, Chairman of the Cotton Subcommittee to explain the provisions of H.R. 3514, a bill to amend the Agricultural Act of 1949 in order to establish a minimum loan rate for the 1980 and 1981 crops of upland cotton, a diversion program for the 1979 crop of upland cotton, and a waiver of certain cross-compliance requirements for disaster payments for the 1978 crop of upland cotton.

Mr. Bowen offered and explained the attached technical amendment to base diversion on 1979 rather than 1978 planted acres. Discussion occurred and without objection the amendment was agreed to.

Mr. Bowen offered and explained the attached amendment on prevented planting with nonconserving crop. Discussion occurred on the amendment.

Mr. Hagedorn offered the attached amendment to the Bowen amendment to add feed grains to the prevented planting provisions and discussion continued. By a unanimous voice vote the Hagedorn amendment to the Bowen amendment was agreed to. By a unanimous voice vote the Bowen amendment, as amended, was approved.

Staff was instructed to prepare a clean bill for introduction today for final consideration and markup at the next meeting of the full Committee.

During the proceedings one recess was taken at 11:25 a.m. to enable Members to respond to a recorded vote on the House Floor. At 12:00 noon the meeting was adjourned to reconvene at 10:30 a.m. on Thursday, May 24, at which time the pending business of the committee will be the clean cotton bill; H.R. 4057, the Food Stamp Act Amendment of 1979; and H.R. 4167, providing price support for milk at 80 percent of parity.

Glenda Temple

No. 1. Prevented planting with non-conserving crop.

H.R. 3514

AMENDMENT OFFERED BY MR. BOWEN

Page 2, immediately following line 5 insert the following new paragraph (2) and renumber succeeding paragraphs accordingly:

"(2) In paragraph (5)(A), by changing the period at the end thereof to a colon and adding the following: 'Provided, That effective beginning with the 1979 crop of upland cotton, if it is determined that planting of an acreage of upland cotton was prevented and that a non-conserving crop was planted on such acreage, the payment to producers on the farm shall be the amount by which the sum calculated as provided in this subparagraph exceeds the market value of the nonconserving crop harvested from such acreage, as determined under regulations of the Secretary. In no instance shall more than one disaster payment be made on the same acreage in the same year.'".

(Amendment to H.R. 3514)

PREVENTED PLANTING DISASTER PAYMENTS
AND THE 2ND CROP OPTION

Under the disaster provisions of the 1977 Act, if a grower is prevented from planting a crop due to flood or other natural disaster, then he is eligible for prevented planting disaster payments at the rate of 1/3 of the target price. However, THESE PAYMENTS ARE FORFEITED IF THE GROWER -- once he has been prevented from planting the primary crop (such as cotton) -- SUBSEQUENTLY PLANTS ANOTHER NONCONSERVING CROP (such as soybeans).

A farmer in this situation should be given some form of protection, because the follow-up crop that he plants after the flood (or other disaster) will be a much larger gamble than the crop he originally intended to plant. Among the obvious factors creating this very substantial risk are (1) unpredicatable weather; (2) lateness of the planting season; and (3) lost production inputs which may have been suffered in connection with the first crop.

The proposed amendment to the disaster provisions would allow some prevented planting payment, even though a subsequent nonconserving crop is planted. It is one method for providing limited assistance -- without subjecting the new program to abuses such as the old practice of "double dipping".

Quite simply, THE IDEA IS TO DEDUCT THE VALUE OF THE FOLLOW-UP CROP FROM THE PREVENTED PLANTING PAYMENT AND PAY THE GROWER THE DIFFERENCE, IF ANY. The result would not be a windfall for any grower, but rather some needed backstop insurance protection on the risky second crop. It would actually save U.S. taxpayers money.

EXAMPLE #1

Assume the following:

100 Acres of cotton prevented from planting due to flood.

600 pound average yield

58¢ target price

If no subsequent nonconserving crop is planted, the prevented planting payment would be calculated as follows:

600# x (1/3 of 58¢) x (3/4 of 100 acres) = $8700 payment

If, however, a nonconserving crop -- for example, soybeans -- were planted on the 100 acres, there would be no disaster protection available. This is an equitable situation, provided the farmer makes a fair- to-good soybean crop; but if he has a soybean failure, it is not equitable. The problem could be resolved by deducting the value of the soybean crop from the $8700 payment as calculated above.

EXAMPLE #2

Assume the following:

An average 20 bushels yield crop of soybeans

100 acres planted to soybeans after the flood recedes

$7.00/bushel - market value

20 x $7.00 x (3/4 of 100 acres) = $10,500

NO PAYMENT IS AVAILABLE BECAUSE THE VALUE OF THE SOYBEANS ($10,500) EXCEEDED THE DISASTER PAYMENT VALUE ($8700)

EXAMPLE #3

Assume the following:

A soybean crop failure**

100 acres planted to soybeans after flood recedes

$7.00/bushel - market value

**10 bushel yield

10 x $7.00 x (3/4 of 100 acres) = $5250

Payment WOULD BE AVAILABLE BECAUSE VALUE OF SOYBEANS ($5250) DID NOT EXCEED PAYMENT VALUE ($8700).

$8700 (prevented planting payment for cotton)

-5250 (value of soybean crop)

$3450 TOTAL PAYMENT MADE TO GROWER

No. 2. Divers from 1979 rather than 1 3 planted acres.

H.R. 3514

AMENDMENT OFFERED BY MR. BOWEN

Page 3, beginning at line 10, strike out "1978 cotton acreage considered planted on the farm including the acreage diverted from the production of cotton.", and insert in lieu thereof "1979 planted acreage of upland cotton, including upland cotton acreage which is eligible for prevented planting payments under paragraph (5)(A) of this subsection. The 1979 planted acreage of upland cotton, including upland cotton acreage which is eligible for prevented planting payments under paragraph (5)(A) of this subsection, plus the acreage diverted may not exceed the 1978 planted acreage of upland cotton, plus acreage considered as planted as determined by the Secretary. In no instance shall the acreage considered as planted to upland cotton include any acreage on which another non-conserving crop is planted.".

H.R. 3514

AMENDMENT TO THE BOWEN AMENDMENT

Offered by Mr. Hagedorn

Immediately after the last line in the amendment, insert the following:

Insert the following new section 2, page 3, immediately after line 20:

"Sec. 2. That section 105A(b)(2)(A) is amended by inserting immediately before the period at the end thereof the following language:

'Provided, That effective beginning with the 1979 crop of feed grains, if it is determined that planting of an acreage of feed grains was prevented and that a nonconserving crop was planted on such acreage, the payment to producers on the farm shall be the amount by which the sum calculated as provided in this subparagraph exceeds the market value of the nonconserving crop harvested from such acreage, as determined under regulations of the Secretary. In no instance shall more than one disaster payment be made on the same acreage in the same year.'".

Add in the title immediately before the period the words "and for other purposes".

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, May 23, 1979

(Sub) Committee Family Farms, Rural Development, and Special Studies

Meeting: Business

Subject: Agricultural Land Protection Act

Bill Nos. H.R. 2551

The Family Farms, Rural Development, and Special Studies (Sub) Committee met in open Session at 2:00 o'clock, in Room 1302

The following Members were present:

Mr. Nolan
Mr. Grassley
Mr. Sebelius

Members Also Present:

Mr. Jeffords

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Jim Swiderski, Subcommittee Staff Consultant
Steve Adams, Staff Assistant
George Dunsmore, Staff Assistant

Witnesses:

None

Statements Filed:

None

Wednesday, May 23, 1979
Family Farms, Rural Development, and
Special Studies
Business Meeting
Agricultural Land Protection Act
H.R. 2551

Chairman Nolan called the meeting to order and offered the attached substitute amendment on behalf of himself and Mr. Jeffords to H.R. 2551, the Agricultural Land Protection Act. Mr. Jeffords was recognized to explain the provisions of the amendment.

Mr. Grassley offered and explained the attached amendment to the Nolan substitute amendment. See also the attached comparative analysis.

During the proceedings one recess was taken at 2:10 p.m. to enable Members to respond to a recorded vote on the House Floor. At 2:45 p.m. the meeting was adjourned to reconvene on Thursday, May 31, at 2:00 p.m. Members were asked to study the pending amendments in order to mark up the legislation at that time.

Glenda Temple

Nolan Amendment

AMENDMENT IN THE NATURE OF A SUBSTITUTUE TO
H.R. 2551, THE AGRICULTURAL LAND PROTECTION ACT

Page 2, line 3, strike out all after the enacting clause and insert the following:

SHORT TITLE

SEC. 1. This Act may be cited as the "Agricultural Land Protection Act".

## TITLE I—FEDERAL AGENCY COMPLIANCE

DECLARATION OF PURPOSE

SEC. 101. The purposes of this title are to--

(1) recognize and respect the rights and responsibilities of private landholders in making land use decisions and the rights and responsibilities of State and units of local government in developing public policies regarding non-Federal land use;

(2) provide for—

(A) the management of Federal (owned or leased) lands in a manner which requires Federal agencies to consider the effects such management has on adjacent private and public agricultural land; and

(B) the coordination of such management with the management of adjacent private and public agricultural lands;

(3) conduct Federal land oriented programs so that such programs contribute to the Nation's short- and long-range needs to assure adequate supplies of food, fiber, wood, water, and agricultural land; and

(4) assure that Federal actions do not cause agricultural land to be irreversibly converted to nonagricultural uses unless other national interests override the importance of preservation, or otherwise outweigh the environmental benefits derived from their protection.

DEVELOPMENT OF INTERNAL POLICIES

SEC. 102. The Congress authorizes and directs that, to the fullest extent possible—

(1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this title; and

(2) all agencies of the Federal Government shall—

(A) identify and develop methods and procedures, which will insure that preservation of agricultural land be given appropriate weight in decisionmaking along with economic and technical considerations;

(B) identify the effects of any action they may undertake on agricultural lands and specify in the Federal Register what alternative proposals may be available to such action that would lessen any negative impact upon such agricultural lands;

(C) make available to States, units of local government, institutions, and individuals, information useful in restoring, maintaining, and enhancing the quantity and quality of agricultural land;

(D) promote retention of agricultural land for agricultural purposes in any case in which conversions of land (1) are proposed by a Federal agency, (2) are licensed by, or require approval by, a Federal agency, or (3) are inconsistent with State or local government agricultural land retention programs;

(E) give public notice in any instance in which any Federal department or agency proposes to use or proposes to authorize the use of any agricultural land for a nonagricultural purpose and solicit the views of interested persons regarding such proposed action.

CONFORMITY OF ADMINISTRATIVE PROCEDURES

SEC. 103. All agencies of the Federal Government shall review their present statutory authority, administrative regulations, and current policies and procedures for the purpose of determining whether there are any deficiencies or inconsistencies therein which prohibit full compliance with the purposes and provisions of this title and shall propose to the President not later than July 1, 1981, such measures as may be necessary to bring their authority and policies into conformity with the intent, purposes, and procedures set forth in this title.

CONFORMITY OF FEDERAL ACTIONS

Sec. 104. (a) Subject to the provisions of subsection (b) each Federal agency conducting or supporting any activity or development project affecting agricultural land identified by the State or local government for preservation shall conduct such activity, or development project, in a manner consistent to the maximum extent practicable, with the agricultural land retention laws or ordinances established by such State or unit of local government.

(b) Any proposed Federal agency activity or development project referred to in subsection (a) which is inconsistent with agricultural land retention laws or ordinances established by a State or unit of local government may not be implemented by any agency prior to (1) the publication of a detailed report by such agency explaining the necessity for such activity or development project and the alternative proposals considered, which report shall be transmitted to the Secretary of Agriculture, and (2) the approval of such activity or development project by the President. For purposes of this section a proposed Federal activity or development project shall be deemed inconsistent with laws or ordinances established by a State or unit of local government if a determination to that effect is made by the Attorney General of the United States in an opinion requested by the appropriate Federal agency either on its own initiative or at the request of a State or unit of local government.

TITLE II—FARMLAND REVIEW STUDY

STUDY AND REPORT

SEC. 201. (a) It shall be the duty of the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary")—

(1) to develop, gather, and make available such information as may be necessary to allow States and units of local government to make informed decisions concerning agricultural land; and

(2) to conduct a comprehensive study of—

(A) the quantity, quality, location, availability, ownership, and financing of agricultural land in the United States;

(B) the relationship of such land to the supply, demand, and production of food;

(C) the relationship between the national concern for agricultural land and other national concerns (including energy, the economy, the environment, population growth, urban growth and development, foreign relations and trade, and humanitarian aid);

(D) the effects of urbanization, industrial development, and other nonagricultural activities (such as air and water pollution, soil contamination, and losses due to theft, trespassing, and van-

dalism) on agricultural land, including the productivity of such land;

(E) the effects of existing Federal laws and reegulations on the use of agricultural land, includinng the productivity of such land;

(F) the effects of variable and unpredictable faactors (including climate, agricultural technology, aair pollution, genetic vulnerability, availability of fiuture supplies of energy and fertilizer, and soil ssalinity) on productivity of agricultural land;

(G) the acquisitions of agricultural land by persons who are not engaged in farming activities iin the United States (including acquisitions by agricultural land investment funds, trusts, foreign citizens or agents of foreign citizens, or other simflar entities) and the effects of such acquisitions on agricultural production;

(H) the effects of competition for water between agricultural and nonagricultural users;

(I) methods of protecting and improving agricultural land, including an analysis of the relative costs and benefits of such methods; and

(J) methods of reducing the amount of agricultural land, especially in and around urban

areas, being converted from agricultural uses to nonagricultural uses.

(b) Within forty-two months after the effective date of this Act, the Secretary shall transmit to the President and to the Congress the results of the study conducted under subsection (a)(2) of this section. In preparing such report, the Secretary shall hold public hearings and invite public comment on such study.

(c) Such report shall include findings, conclusions, and recommendations of the Secretary concerning—

(1) Federal policies, programs, regulations, and laws which affect the quantity or quality of agricultural land in the United States;

(2) identification and coordination of activities (such as issuing permits and making grants or loans) which are being carried out by Federal departments and agencies and which affect agricultural land;

(3) methods of ensuring that major actions of the Federal Government are consistent with the retention, protection, and improvement of agricultural land; and

(4) methods of retaining, protecting, and improving the quantity and quality of agricultural land and the relative costs and benefits of such methods.

(d) The Secretary may appoint an advisory committee to assist the Secretary in carrying out the provisions of this title from among persons who are specially qualified to serve on the advisory committee by virtue of their education, training or experience.

(e) Notwithstanding the provisions of this title the Secretary need not conduct the study or submit the report required by this title if there is established a Federal Interagency Task Force to study and make recommendations on substantially the same issues affecting agricultural land as are provided for in this title and which Task Force is required to submit a report not later than April 1, 1983.

## TITLE III—DEMONSTRATION PROGRAM

### ESTABLISHMENT

SEC. 301. (a) The Secretary shall, during the three-year period beginning on the effective date of this Act, provide financial and technical assistance to States and units of local governments for the purpose of developing, demonstrating, and testing methods of reducing the quantity of agricultural land (including agricultural land in and around urban areas) being converted from agricultural uses to nonagricultural uses.

(b) Assistance provided under this title shall be subject to such conditions and requirements (including fiscal control and fund accounting procedures) as the Secretary may determine to be reasonable and consistent with the objectives of this Act.

### APPLICATION

SEC. 302. Any State or unit of local government interested in conducting a project developing, demonstrating, or testing a method of reducing the quantity of agricultural land being converted from agricultural uses to nonagricultural uses may submit to the Secretary an application at such time, in such form, and containing such information as the Secretary may, by rule, require. Such application shall, at a minimum, contain a description of the proposed project.

APPROVAL OF APPLICATIONS

SEC. 303. (a) The Secretary shall establish and publish in the Federal Register criteria on the basis of which applicants are selected to receive assistance under this title. Such criteria shall give priority to applications under which the Secretary is satisfied will provide--

(1) timely and new information useful to the Secretary in carrying out the duties under this Act at a reasonable cost;

(2) the Secretary with a range of projects to study in terms of geographical locations and methods of reducing the quantity of agricultural land being converted from agricultural uses to nonagricultural uses.

(b) The Secretary may only provide assistance with respect to applications under criteria established in subsection (a) and may not approve applications for projects which after September 30, 1983, will be dependant upon Federal funds for their continuing operations.

(c) The Secretary may not provide assistance under this title to no more than two projects demonstrating or testing any individual method of reducing the amount of agricultural land being converted from agricultural uses to nonagricultural uses.

AMOUNT OF ASSISTANCE

SEC. 304. (a) Subject to the provisions of subsection (b) of this section, the amount of assistance which may be provided under this title with respect to any project shall be determined by the Secretary but may not exceed 50 per centum of the cost of preparing, establishing, demonstrating, conducting, and testing such project. The remainder of such costs shall be provided by the applicant in a manner which the Secretary determines is satisfactory. In determining the share of costs provided by the applicant, the Secretary must include the value of services provided by the applicant in planning, preparing, and issuing reports concerning, such project.

(b) The Secretary may not provide more than 20 per centum of any funds appropriated pursuant to this title for any fiscal year as assistance with respect to each project being carried out under this title during such fiscal year.

REPORT OF THE SECRETARY

SEC. 305. On or before April 1, 1984, the Secretary shall prepare and transmit a report to the President, to each House of the Congress. The report shall contain a detailed statement of the find-

ings and conclusions of the Secretary concerning the effectiveness of methods of reducing the quantity of agricultural land being converted from agricultural uses to nonagricultural uses, together with the Secretary's recommendations for such legislation or administrative action as the Secretary considers necessary to reduce the quantity of agricultural land being so converted.

TITLE IV—TECHNICAL ASSISTANCE PROGRAM

SEC. 401. (a) The Secretary, acting through the Soil Conservation Service of the Department of Agriculture, shall provide to States and units of local government technical assistance concerning methods of protecting agricultural land and reducing the quantity of such land being converted from agricultural uses to nonagricultural uses.

(b) As a part of the technical assistance provided under this section, the Secretary shall disseminate the latest information available concerning the study and other activities being carried out by the Secretary under title II of this Act and concerning the demonstration projects being conducted under title III of this Act.

## TITLE V—GENERAL PROVISIONS

### DEFINITIONS

SEC. 501. For purposes of this Act—

(1) The term "agricultural land" means any land (including cropland, pastureland, rangeland, or forestland) which has the best combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops, or a specific high value food or fiber crop, and is also available for these uses; and has the soil quality, growing season, and moisture supply needed to economically produce sustained high yields of crops when treated and managed, including water management according to acceptable farming methods. In general, agricultural lands have an adequate and dependable water supply from precipitation or irrigation, a favorable temperature and growing season, acceptable acidity or alkalinity and acceptable salt and sodium content. They are permeable to water and air. Agricultural lands are not excessively erodible or saturated with water for a long period of time, and they either do not flood frequently or are protected from flooding.

(2) The term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Marianna Islands, American Samoa, the Trust Territory of the Pacific Islands, or any territory or possession of the United States.

(3) The term "unit of local government" means the government of a county, municipality, town, township, village, or other unit of general government below the State level (determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes).

LIMITATIONS

SEC. 502. Nothing in this Act authorizes, or may be construed to authorize, the Federal Government or any department, agency, or official thereof—

(1) to restrict or otherwise regulate in any way the use of privately owned land;

(2) to deprive landowners of their rights to property or to income from the sale of property; or

(3) to abrogate, restrict, or in any way diminish existing authority and responsibilities of the various States and units of local government respecting land use, zoning, taxation, or any other aspect of the regulation, utilization, and disposition of public or private lands within their respective jurisdictions.

EFFECTIVE DATE

SEC. 503. The provisions of this Act shall become effective October 1, 1980.

AUTHORIZATIONS FOR APPROPRIATIONS

Sec. 504. There are authorized to be appropriated to carry out the provisions of title III of this Act $15,000,000 for the fiscal year ending on September 30, 1981, $25,000,000 for the fiscal year ending on September 30, 1982, $20,000,000 for the fiscal year ending on September 30, 1983, and $500,000 for the fiscal year ending on September 30, 1984.

and amend the title to read as follows:

To establish internal Federal policy concerning protection of certain agricultural land; require the Secretary of Agriculture to study and report on problems affecting agricultural land; establish a demonstration program relating to methods of protecting certain agricultural land from being used for nonagricultural purposes; and for other purposes.

COMPARATIVE ANALYSIS OF H.R. 2551 AND SUBSTITUTE

| TITLE | H.R. 2551 - THE AG. LAND PROTECTION ACT | AMENDMENT IN THE NATURE OF A SUBSTITUTE |
|---|---|---|
| Findings & Purposes | A brief description of the apparent problem and the intent of this act to solve these problems. | Deleted with the intent to work this language into legislative history. |
| Title I | Federal Agency Compliance --<br>-- Recognizes that Federal agencies may conduct programs which often have adverse effects on agricultural land.<br>-- Directs Federal agencies to develop and implement policies giving agricultural land a higher priortiy in the scheme of things.<br>-- Directs that any Federal projects must be consistent with State and local efforts toward Agricultural Land Protection.<br>-- Provides for recognition and respect, by the Federal level, of private land owners rights and the role of States and localities in Ag Land Protection. | -- Amended on page 4 of the substitute to include "to the maximum extent practicable" so as not to make section "absolute".<br>-- New language on page 4A states that implementation of federal projects which are deemed inconsistent with State and local efforts must receive the express approval of the President. The Attorney General of the United States would make the determination of inconsistency. |
| Title II - Study | H.R. 2551 establishes a committee, membership to be selected by the President and representative of the industry. Committee is charged with a broad study with a report back to Congress upon completion of its duties. | The substitute directs the Secretary to carry out the same function.<br>-- Gives the Secretary authority to appoint an advisory committee so that the industry can have appropriate input. (Page 7A of substitute).<br>-- Would allow the current proposal being discussed by President Carter, Secretary Bergland and Secretary Warren to substitute for this study -- (e) - page 7A of substitute. |
| Title III | Demonstration Projects | Technical changes to comply with changes in Title II. No substantive changes otherwise. |
| Title IV | Technical Assistance | Deleted Sec. 401 (a) (2) + (c)(1) financial assistance which is a duplication of Title 3 to some extend. |
| Title V | General Provisions | -- Deletes Sec. 504 (a) and (c) which provided funding for Title II (Study Committee) and Title IV (technical Assistance |

AMENDMENT TO THE NOLAN AMENDMENT
IN THE NATURE OF A SUBSTITUTE TO H.R. 2551
Offered by Mr. Grassley

Strike all after the short title and substitute in lieu thereof the following:

## TITLE I—FEDERAL AGENCY COMPLIANCE

### DECLARATION OF PURPOSE

SEC. 101. The purposes of this title are to--

(1) recognize and respect the rights and responsibilities of private landholders in making land use decisions and the rights and responsibilities of State and units of local government in developing public policies regarding non-Federal land use;

(2) provide for—

(A) the management of Federal lands in a manner which requires Federal agencies to consider the effects such management has on adjacent private and public agricultural land; and

(B) the coordination of such management with the management of adjacent private and public agricultural lands;

(3) require the conduct of Federal land oriented programs so that such programs contribute to the Nation's short- and long-range needs to assure adequate supplies of food, fiber, wood, water, and agricultural land; and

(4) assure that Federal actions do not cause agricultural land to be irreversibly converted to nonagricultural uses unless other national interests override the importance of preservation, or otherwise outweigh the environmental benefits derived from their protection.

DEVELOPMENT OF INTERNAL POLICIES

SEC. 102. The Congress authorizes and directs that, to the fullest extent possible—

(1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this title; and

(2) all agencies of the Federal Government shall—

(A) identify and develop methods and procedures, which will insure that preservation of agricultural land be given appropriate weight in decisionmaking along with economic and technical considerations;

(B) identify the effects of any action they may undertake on agricultural lands and consider what alternative proposals may be available to such action that would lessen any negative impact upon such agricultural lands;

(C) make available to States, units of local government, institutions, and individuals, information useful in restoring, maintaining, and enhancing the quantity and quality of agricultural land;

(D) promote retention of agricultural land for agricultural purposes in any case in which conversions of land (1) are proposed by a Federal agency, (2) are licensed by, or require approval by, a Federal agency, or (3) are inconsistent with State or local government agricultural land retention programs;

(E) give public notice in any instance in which they propose to use or propose to authorize the use of any agricultural land for a nonagricultural purpose and solicit the views of interested persons regarding such proposed action.

CONFORMITY OF ADMINISTRATIVE PROCEDURES

SEC. 103. All agencies of the Federal Government shall review their present statutory authority, administrative regulations, and current policies and procedures for the purpose of determining whether there are any deficiencies or inconsistencies therein which prohibit full compliance with the purposes and provisions of this title and shall propose to the President not later than July 1, 1980, such measures as may be necessary to bring their authority and policies into conformity with the intent, purposes, and procedures set forth in this title.

CONFORMITY OF FEDERAL ACTIONS

Sec. 104. Each Federal agency conducting or supporting any activity or development project, or administering a regulatory authority affecting agricultural land, shall conduct such activity, or development project, or administer such regulatory authority, to the maximum extent practicable in a manner consistent with agricultural land retention programs established by a State or unit of local government.

TITLE II --STUDY OF PROTECTION OF AGRICULTURAL LAND

Sec. 201. Title V of the Rural Development Act of 1972 is amended as follows:

(a) The heading of title V is amended to read as follows: "Rural Development and Small Farm Research and Education and Protection of Agricultural Land".

(b) Section 501 of said Act is amended by changing the period at the end thereof to a semicolon and adding new subsections (e) and (f) reading as follows:

"(e) to provide for a study of agricultural land, especially the quantity, quality, location, availability, and ownership of agricultural land, for the purpose of making recommendations concerning methods of retaining, protecting and improving agricultural land;

"(f) to provide technical assistance for, and an information clearinghouse network relating to, agricultural land protection."

(c) Section 502 of said Act is amended by adding new subsections (e), (f), and (g) reading as follows:

"(e) Study of Agricultural Land.--

"(1) The Secretary shall study and make recommendations concerning the protection and preservation of agricultural land in the United States. In carrying out this responsiblity the Secretary shall study--

"(A) the quantity, quality, location, availability and financing of agricultural land in the United States;

"(B) the relationship of such land to the supply and demand of food and to the production of food;

"(C) the interrelationship of agricultural land as a national concern to other national concerns (including, but not limited to, energy, the economy, urban growth and development, foreign relations and trade, and humanitarian aid);

"(D) the effects of urbanization, industrial development, and other nonagricultural activities (such as air and water pollution, soil contamination, and losses due to theft, trespassing, and vandalism) on agricultural land and agricultural productivity;

"(E) the effects of agricultural operations (such as noise, dust, odors, and pesticide contamination) on urban areas and on individuals residing in and around urban areas;

"(F) the policies and actions of federal departments and agencies with respect to the extent to which they encourage or result in zoning and development-related actions of cities and urban communities that accelerate conversion of agricultural land;

"(G) the effects and interrelationships of existing federal, state and local statutes, rules, regulations, policies and actions affecting the use of land for agricultural purposes;

"(H) the effects of variable and unpredictable factors such as climate changes, agricultural technology, pollution, genetic vulnerability, soil salinity, environmental regulations, fertilizers, and fuels and energy resources on the productivity of agricultural land;

"(I) the acquisitions of agricultural land by persons who are not engaged in farming activities in the United States (including acquisitions by agricultural land investment funds, trusts, foreign citizens or agents of foreign citizens, or other similar entities) and the effects of such acquisitions on agricultural production;

"(J) the national regional and local need for methods of protecting and improving agricultural land;

"(K) existing and potential methods of reducing the amount of land which is annually being converted from agricultural uses to nonagricultural uses especially in and around urban areas, and the benefits of such methods with respect to their costs;

"(L) alternative roles for the federal government in relation to the roles of state and local governments and private citizens and groups in matters related to the protection and conservation of agricultural land, and the probable impacts of such alternative federal roles on the ability of U.S. agriculture to meet future food and fiber needs;

"(M) the need to inventory, assess, and evaluate the Nation's agricultural land on a continuing basis in order to develop programs for the protection of such land and to assure that public and private decisions are made on an informed basis;

"(N) the effects of competition between agricultural and nonagricultural demands for water;

"(O) the relationship between future supplies of energy and fertilizer resources and the production of food from available agricultural land; and

"(P) ways in which the principles of individual property ownership and property rights with respect to agricultural land can be reaffirmed and protected in the policies, programs and actions of government at all levels.

"(2) In carrying out the study described in paragraph (1), the Secretary shall give priority and special attention to analysis and assessment of--

"(A) all data, statistics, studies, reports and other information on items (A) through (P) in paragraph (1) which have already been gathered, compiled or otherwise produced, and which can be made available to the Secretary;

"(B) the effects of federal laws, rules, regulations, policies and actions that directly or indirectly affect the use of land for agricultural purposes;

"(C) existing laws and public and private programs at state, regional and local levels designed to promote or encourage in any way the preservation of land for agricultural purposes, or reduce the loss of land for agricultural uses.

"(3) In order to obtain information for the study described in paragraph (1), the Secretary shall utilize to the maximum extent possible all pertinent available studies, reports, statistics and other data gathered, compiled or otherwise produced by departments and agencies of the federal government, state governments and subdivisions thereof, or other public or private bodies, groups, organizations or individuals.

"(4) The Secretary shall transmit to the President and to each House of the Congress, within twenty-four months after the date of enactment of this subsection, a preliminary report of his findings and conclusions concerning the study described in paragraph (1) and, within four years after such date, a final report of his findings and conclusions concerning such study. The preliminary and final reports shall also include recommendations for alternative strategies and options for dealing with any problems relating to agricultural land which the Secretary may have indentified during the course of his study. Such recommendations shall include--

"(A) any proposed modifications in policies, programs, rules, regulations, laws and actions of the United States, the states and political subdivisions of states which the Secretary may determine are necessary for the protection of agricultural lands and the rights of private property owners of such lands in the United States; and

"(B) proposals for coordination of activities which are carried out by a department or agency of the United States and which affect agricultural land, including activities such as issuing permits, making grants or loans, and carrying out programs.

"(5) In developing the preliminary report required in this subsection the Secretary shall consider information and recommendations from the public and the Advisory Committee authorized by paragraph (6) of this subsection, if established, and to facilitate communication of such information and recommendations the Secretary shall hold open hearings at locations in the United States where sufficient interest has been expressed to warrant such hearings. Upon submission of the preliminary report, the Secretary shall make it available to the public and to the Advisory Committee, if established, and invite public comments thereon. To facilitate communication of such comments and additional information and recommendations from the public, the Secretary shall hold open hearings at locations in the United States where sufficient interest has been expressed to warrant such hearings. The Secretary shall consider such comments, information and recommendations in the preparation of the final report of his findings and conclusions required in this subsection.

"(6)(A) The Secretary is authorized to establish an Agricultural Land Protection Advisory Committee to advise, consult with and make recommendations to the Secretary concerning the study and report required by this subsection. If established, such committee shall be composed of twenty-two members appointed by the Secretary as follows:

"(i) Two members of the Agriculture, Nutrition, and Forestry Committee of the Senate, one recommended by the chairman of that Committee and one recommended by the ranking minority member of that Committee.

"(ii) Two members of the Committee on Agriculture of the House of Representatives, one recommended by the chairman of that Committee and one recommended by the ranking minority member of that Committee.

"(iii) Eighteen appointed by the Secretary on a nonpartisan basis from among persons who are knowledgeable of and particularly interested in the protection of agricultural land. Four of the eighteen shall be State Commissioners or Secretaries of Agriculture and two shall be officers of a state, county or other political subdivision of a state. Three shall be recognized agricultural experts to be selected by the Secretary from nominations submitted by Land Grant colleges and universities or other institutions of higher education. Five of the eighteen shall be representatives of agricultural, agricultural commodity and/or agricultural related organizations to be selected by the Secretary from nominations submitted to him by such organizations.

"(B)(i) Members of the Advisory Committee who are Members of Congress or officers or employees of the U.S. Government shall receive no additional pay on account of their service on the Committee.

"(ii) Members of the Advisory Committee, other than those referred to in paragraph (i) shall receive $100 for each day (including traveltime) during which they are engaged in the business of the Committee.

"(iii) While away from their homes or regular places of business in the performance of services for the Advisory Committee, members of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

"(C) If established, the Advisory Committee shall be terminated by the Secretary on the date the final report required pursuant to paragraph (4) of this subsection is submitted.

"(f) Agricultural Land Protection Technical Assistance.--Agricultural land protection technical assistance shall consist of services, other than direct financial assistance, through which information, expertise and technical aid may be made available to states and units of local government concerning the protection of agricultural land and reduction of the quantity of such land being converted from agricultural to nonagricultural uses.

"(g) Agricultural Land Protection Information Clearinghouse Network.--This program shall provide for the collection, analysis and dissemination of information and data concerning the protection of agricultural land and methods of reducing the quantity of such land being converted from agricultural to nonagricultural uses."

(d) Section 503(b) of said Act is amended by inserting the phrase "of subsections (a) and (b) of section 502" immediately after the word "purposes".

(e) Section 504(a) of said Act is amended by inserting the phrase ", except section 502(e)," immediately after the word "title".

(f) Section 505(a) of said Act is amended by inserting the phrase ", except section 502(e)," immediately after the word "title".

(g) Section 505(b) of said Act is amended by inserting the phrase ", except section 502(e)," immediately after the word "title" the first time it appears.

TITLE III--TECHNICAL ASSISTANCE PROGRAM

Sec. 301. (a) The Secretary, acting through the Soil Conservation Service of the Department of Agriculture, shall provide to States and units of local government technical assistance concerning methods of protecting agricultural land and reducing the quantity of such land being converted from agricultural uses to nonagricultural uses.

(b) As a part of the technical assistance provided under this section, the Secretary shall disseminate the latest information available concerning the study and other activities being carried out by the Secretary under title I of this Act.

## TITLE IV --GENERAL PROVISIONS

### Definitions

Sec. 401. For purposes of this Act--

(1) The term "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

(2) The term "unit of local government" means the government of a county, municipality, town, township, village, or other unit of general government below the State level (determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes).

### Limitations

Sec. 402. Nothing in this Act authorizes, or may be construed to authorize, the Federal Government or any department, agency, or official thereof--

(1) to restrict or otherwise regulate in any way the use of privately owned land;

(2) to deprive landowners of their rights to property or to income from the sale of property; or

(3) to abrogate, restrict, or in any way diminish existing authority and responsibilities of the various States and units of local government respecting land use, zoning, taxation, or any other aspect of the regulation, utilization, and disposition of public or private lands within their respective jurisdictions.

### Effective Date

Sec. 403. The provisions of this Act shall become effective October 1, 1980.

AGRICULTURAL LAND PROTECTION -- COMPARATIVE ANALYSIS

9/23/79

| H.R. 2551 | Grassley Substitute | Nolan Substitute | S. 795 |
|---|---|---|---|
| Section 2 -- Findings and Purposes | No comparable provision | No comparable provision | Section 2 -- Findings and Purposes |
| Title I -- Federal Agency Compliance | Title I -- Federal Agency Compliance | Title I -- Federal Agency Compliance | Title I -- Farmland Protection Policy |
| Title II -- Study Committee on Protection of Agricultural Land (study due 7/1/83 -- hearing authority & 10 member Committee) | Title II-- Study of Protection of Agricultural Land (Title V, RDA -- 4 year study, hearings, advisory cmtee authority, but membership specific) | Title II -- Farmland Review Study (42 month study -- hearings & advisory cmtee authority to Sec. USDA) | Title II -- Farmland Review Study (42 month study -- hearings, no advisory committee authority) |
| No comparable provision | Agricultural Land Protection Technical Assistance (Title V, RDA) | No comparable provision | No comparable provision |
| No comparable provision | Agricultural Land Protection Information Clearinghouse Network (Title V, RDA) | No comparable provision | No comparable provision |
| Title III -- Demonstration Program (50% federal matching grants -- 3 year total of $60 mil.) | No comparable provision | Title III -- Demonstration Program (50% federal matching grants -- 3 year total of $60 mil.) | Title III -- Research Program (demonstration projects -- 25% federal matching grants -- 3 year total of $49 mil.) |
| Title IV -- Technical Assistance Program (SCS technical and financial assistance -- 50% federal matching grants, unlimited authorization) | Title III-- Technical Assistance Program (SCS technical assistance only) | Title IV -- Technical Assistance Program (SCS technical assistance only) | Title IV -- Technical Assistance Program (SCS technical and financial assistance -- 25% federal matching grants, unlimited authorization |
| Title V -- General Provisions (defines agricultural land as "prime" land) | Title IV -- General Provisions | Title V -- General Provisions (defines agricultural land as "prime" land) | Title V -- General Provisions (defines agricultural land as "prime" land) |

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date May 23, 1979

(Sub) Committee Oilseeds and Rice

Meeting: Public Hearing

Subject: To consider 1979 Peanut Program regulations

Bill Nos.

, The Oilseeds and Rice (Sub) Committee met in open Session at 1:30 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Mathis | Mr. | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. Findley | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |

Staff present:

Fowler C. West, Staff Director
Esther Hickey, Staff Assistant

Witnesses:

1. Mr. James Davis, Production Adjustment Division, USDA
2. Mr. Jerome Sitter, Director, Price Support and Loan Division, USDA
3. Mr. Thomas Von Garlem, Price Support and Loan Division, USDA
4. Mr. Dallas Smith, Production Adjustment Division, USDA

5. Mr. Emmett Reynolds, National Peanut Grower Group

   Acc. by: Mr. Ross Wilson, Secretary, National Peanut Growers Group
   Mr. Russell C. Schools, Executive Secretary, Virginia Peanut Growers Assn.

6. Mr. Edward White of Newville, Alabama, for American Agriculture Movement

   Acc. by: Mr. Raybon Holland of Headland, Alabama

Statements Filed:

1. Mr. G. C. Davis, Southeastern Peanut Association

2. Mr. Womack Lee, Peanut Grower Cooperative Marketing Association

Wednesday, May 23, 1979
Oilseeds and Rice Subcommittee
Public Hearing
Consideration of the 1979
Peanut Program Regulations

Chairman Mathis called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony concerning the 1979 peanut program regulations. Following presentation of their statements the witnesses were questioned by Members of the Subcommittee.

Mr. Findley requested that the Department submit for the record any change in the cost of the program to the government or savings to the government which would be affected by the proposed changes and regulations for 1979. He also would like put into the record the Department's best estimate of the net realized cost of the program for 1977, 1978, and the projected net realized cost for 1979.

Chairman Mathis remarked that the Subcommittee would appreciate receiving an opinion from the General Counsel on these proposed regulations as soon as possible so that the Subcommittee will have sufficient time to respond before the end of the commenting period, May 29, 1979.

At 2:35 p.m. the meeting was adjourned subject to the call of the chair.

Esther S. Hickey
Esther S. Hickey

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Thursday, May 24, 1979

~~(Sub)~~ Committee Full

Meeting: Business Meeting

Subject: Upland Cotton

Bill Nos. H.R. 4195; H.R. 3514

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Stenholm | Mr. Sebelius |
| Mr. de la Garza | Mr. | Mr. Findley |
| Mr. Jones (N.C.) | Mr. | Mr. Jeffords |
| Mr. Bowen | Mr. | Mr. Grassley |
| Mr. Richmond | Mr. | Mr. Hagedorn |
| Mr. Baldus | Mr. | Mr. Coleman |
| Mr. Bedell | Mr. | Mr. Hopkins |
| Mr. English | Mr. | Mr. Thomas |
| Mr. Panetta | Mr. | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Akaka | Mr. | Mr. |
| Mr. Whitley | Mr. | Mr. |
| Mr. Coelho | Mr. | Mr. |
| Mr. Daschle | Mr. | |
| Mr. Hance | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Glenda Temple, Clerk
John Waits, Subcommittee Staff Consultant
Linda Miller, Staff Assistant

Witnesses:

1. Mr. Charles Cunningham, Agricultural Stabilization and Conservation Service, USDA, was present and responded to questions concerning the cotton program.

Statements Filed:

None

Thursday, May 24, 1979
Full Committee
Business Meeting
Upland Cotton
H.R. 4195; H.R. 3514

Action Taken:

-- Without objection Bowen motion to substitute H.R. 4195 for H.R. 3514 was agreed to.

-- By a unanimous voice vote Hagedorn amendment adding wheat and rice to the prevented planting section of H.R. 4195 approved.

-- By voice vote H.r. 4195, as amended, ordered reported to the House in the presence of a quroum.

Acting Chairman de la Garza called the meeting to order and recognized Mr. Bowen, Chairman of the Subcommittee on Cotton. Mr. Bowen moved that H.R. 4195, a clean bill, be substituted for H.R. 3514 and open for amendment at any point. The motion was agreed to without objection.

Mr. Hagedorn offered the attached amendment adding wheat and rice to the prevented planting section of the bill. Discussion occurred and by a unanimous voice vote the Hagedorn amendment was agreed to.

Mr. Bowen moved that H.R. 4195, as amended, be ordered favorably reported to the House. By a voice vote in the presence of a quorum (22 Members present at the time the vote was taken) the motion was agreed to. Mr. Findley asked that the record reflect his opposition to the legislation.

At 10:55 a.m. the meeting was adjourned, to reconvene at 10:30 a.m. on Thursday, May 31, for consideration of food stamp legislation--H.R. 4057.

Glenda Temple

AMENDMENT TO H.R. 4195

Offered by Mr. Hagedorn

Page 4, lines 9 and 10, strike "Section 105A(b)(2)(A) of the Agricultural Act of 1949, as amended, is amended" and insert:

"Section 105A(b)(2)(A), section 107A(b)(2)(A), and section 101(h)(4)(A) of the Agricultural Act of 1949, as amended, are amended".

Explanation

This amendment applies the change for prevented planting to wheat and rice in addition to feed grains.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Wednesday, May 30, 1979

(Sub) Committee on Department Investigations, Oversight, and Research

Meeting: Public Hearing and Open Business Meeting

Subject: Land Conveyance to the Bell County, Ky. Board of Education

Bill Nos. H.R. 1573, S. 41

The Department Investigations, Oversight, and Research (Sub) Committee met in Open Session at 2:35 p.m. o'clock, in Room 1302 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. de la Garza | Mr. Wampler | Mr. |
| Mr. Skelton | Mr. Grassley | Mr. |
| Mr. Fithian | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |

Staff present:

Tony Imhof, Associate Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Honorable Tim Lee Carter, Member of Congress from Kentucky

   accompanied by: Mr. I. M. Slusher, Superintendent, Bell County School System, Bell County, Kentucky
   Mr. Robert Hinsley, Chairman
   Mr. Dan Bambrel, Member

2. Mr. Joe van Gilst, Department of Agriculture, was present to answer technical questions

Statements Filed:

Letters to Dr. Carter from Mr. Charles H. Lambert, Acting Secretary, Executive Department for Finance and Administration, Commonwealth of Kentucky; Mr. John R. McGuire, Chief, FOrest Service, USDA; Mr. I. M. Slucher, Superintendent, Bell County Schools

Wednesday, May 30, 1979
Subcommittee on Department Investigations, Oversight, and Research
Public Hearing and Markup
S. 41, H.R. 1573

Action taken:

-S. 41 ordered reported to the full Committee by unanimous voice vote in the presence of a quorum.

Acting Chairman Skelton called the meeting to order and recognized the witnesses in the order listed on page 2 for their prepared testimony. The witnesses answered questions from Members of the Subcommittee as appearing in the record.

At 2:45 the Subcommittee went into an open business meeting for the purpose of marking up S. 41. Mr. de la Garza made a motion which was seconded by Mr. Wampler to report S. 41 to the full Committee. He asked for a voice vote and the ayes unanimously prevailed.

Acting Chairman Skelton adjourned the meeting at 3:00 p.m. to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, May 31, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Food Stamp Act Amendment of 1979

Bill Nos. H.R. 4057

The Full x(~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Glickman | Mr. Wampler |
| Mr. de la Garza | Mr. Whitley | Mr. Findley |
| Mr. Jones (Tenn.) | Mr. Coelho | Mr. Symms |
| Mr. Mathis | Mr. Daschle | Mrs. Heckler |
| Mr. Brown | Mr. Hance | Mr. Jeffords |
| Mr. Bowen | Mr. Anthony | Mr. Kelly |
| Mr. Rose | Mr. Stenholm | Mr. Grassley |
| Mr. Richmond | Mr. | Mr. Hagedorn |
| Mr. Nolan | Mr. | Mr. Coleman |
| Mr. Baldus | Mr. | Mr. Hopkins |
| Mr. Harkin | Mr. | Mr. Thomas |
| Mr. English | Mr. | Mr. |
| Mr. Fithian | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Skelton | Mr. | |
| Mr. Huckaby | Mr. | |

Staff present:

Fowler C. West, Staff Director
John Kramer, Special Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Mary Jarratt, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to Member's questions:

1. Mr. Bob Greenstein, Acting Director, Food and Nutrition Service, USDA.

Statements Filed:

None

Thursday, May 31, 1979
Full Committee
Business Meeting
Food Stamp Act Amendment of 1979
H.R. 4057

Action Taken:

-- Panetta amendment on cap to Coleman amendment approved by roll call vote of 25 yeas-15 nays.

-- Panetta amendments on carryover and departmental reports approved by unanimous voice vote.

-- Mathis amendment to delete cap to Coleman amendment, as amended, not approved by show of hands vote 6-19.

-- By voice vote Coleman amendment, as amended, agreed to.

-- By voice vote de la Garza amendment deleting age requirement to Kelly amendment agreed to.

-- By roll call vote Kelly amendment, as amended, providing for deduction of medical and dental expenses agreed to (24 yeas-7 nays).

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

| | | | |
|---|---|---|---|
| 1. | Mr. de la Garza | 12. | Mr. Jones (Tenn.) |
| 2. | Mr. Mathis | 13. | Mr. Panetta |
| 3. | Mr. Bowen | 14. | Mr. Richmond |
| 4. | Mr. Harkin | 15. | Mr. Hopkins |
| 5. | Mr. English | 16. | Mr. Kelly |
| 6. | Mr. Huckaby | 17. | Mr. Jeffords |
| 7. | Mr. Daschle | 18. | Mr. Baldus |
| 8. | Mr. Hance | 19. | Mr. Coelho |
| 9. | Mr. Grassley | 20. | Mr. Whitley |
| 10. | Mr. Coleman | 21. | Mr. Anthony |
| 11. | Mr. Foley | 22. | Mr. Stenholm |

Twenty-two Members having responded, a quorum was established.

Mr. Richmond, Chairman of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, was recognized to explain the provisions of H.R. 4057, the Food Stamp Act Amendment of 1979. Discussion occurred on the legislation.

Thursday, May 31, 1979
Full Committee
Business Meeting
Food Stamp Act Amendment of 1979
H.R. 4057

Mr. Coleman offered the following amendment to reduce the amount of the cap:

> Line 7, strike the figure "$6,808,900,000" and insert: "$6,439,000,000".

Discussion occurred on the amendment. Mr. Panetta offered the following amendment to the Coleman amendment which would set the cap at the high point of the CBO estimate, provide that carryover would be returned to the Treasury, and provide for departmental reports on the expenditures:

> Delete the figure "$6,439,000,000" and insert in lieu thereof the figure "$6,778,900,000" and delete the third sentence and insert in lieu thereof the following: "The Secretary shall, on the 15th day of each month, submit a report to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry setting forth his best estimate of the previous month's expenditure, including administrative costs, as well as the cumulative totals for the current fiscal year.".

Discussion continued on the amendments. Mr. Coleman made a parliamentary inquiry concerning the germaneness of the Panetta amendment and the Chairman sustained the inquiry and advised that there would be separate votes on the provisions contained in the Panetta amendment. Discussion continued.

By a show of hands vote of 17 yeas-9 nays the Panetta amendment was agreed to. Mr. Coleman requested a recorded vote and 8 Members sustained the request. The vote follows:

Thursday, May 31, 1979
Full Committee
Business Meeting
Food Stamp Act Amendment of 1979
H.R. 4057

Y E A S

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Brown
4. Mr. Bowen
5. Mr. Rose
6. Mr. Richmond
7. Mr. Nolan
8. Mr. Weaver (proxy to Mr. Richmond)
9. Mr. Harkin
10. Mr. Panetta
11. Mr. Huckaby
12. Mr. Glickman
13. Mr. Akaka (proxy to Mr. Richmond)
14. Mr. Whitley
15. Mr. Coelho
16. Mr. Daschle
17. Mr. Anthony
18. Mrs. Heckler
19. Mr. Jeffords
20. Mr. Foley
21. Mr. Jones (N.C.)(proxy to Mr. Foley)
22. Mr. Baldus (proxy to Mr. Foley)
23. Mr. Bedell (proxy to Mr. Foley)
24. Mr. Fithian (proxy to Mr. Foley)
25. Mr. Skelton (proxy to Mr. Foley)

N A Y S

1. Mr. Mathis
2. Mr. English
3. Mr. Stenholm
4. Mr. Wampler
5. Mr. Sebelius (proxy to Mr. Wampler)
6. Mr. Findley (proxy to Mr. Wampler)
7. Mr. Symms
8. Mr. Johnson (proxy to Mr. Wampler)
9. Mr. Madigan (proxy to Mr. Wampler)
10. Mr. Kelly
11. Mr. Grassley
12. Mr. Hagedorn
13. Mr. Coleman
14. Mr. Hopkins
15. Mr. Thomas

Thus, by a roll call vote of 25 yeas-15 nays the Panetta amendment to the Coleman amendment on the cap was agreed to. By a unanimous voice vote the remaining provisions of the Panetta amendment on carryover and departmental reports to Committees were approved.

Mr. Mathis moved to amend the Coleman amendment, as amended, by striking the figure "$6,778,900,000" and inserting in lieu thereof "such sums as may be appropriated". Discussion occurred and by a show of hands vote of 6 yeas-19 nays the amendment was not agreed to. Mr. Mathis requested a recorded vote and three Members (an insufficient number) voted to sustain the request.

By a voice vote the Coleman amendment, as amended, was approved.

Mr. Kelly offered the following amendment providing for deduction of medical and dental expenses:

> Sec. 3. Section 5(e) of the Food Stamp Act of 1977 is amended by inserting the following new sentence: "Any individual aged 60 or over is entitled to claim a deduction from his household income, above the standard deduction, for his medical and dental expenses, to the extent such expenses exceed $10 a month."

Discussion occurred and Mr. de la Garza moved to amend the Kelly amendment by striking the words "aged 60 and over" and discussion continued. By a voice vote the de la Garza amendment was agreed to. By a show of hands vote of 14 yeas-11 nays the Kelly amendment was agreed to. Mr. Glickman requested a recorded vote and 10 Members voted to sustain the request. The vote follows:

Y E A S

1. Mr. de la Garza
2. Mr. Mathis
3. Mr. Richmond
4. Mr. Nolan
5. Mr. Baldus
6. Mr. English
7. Mr. Huckaby
8. Mr. Anthony
9. Mr. Stenholm
10. Mr. Wampler
11. Mr. Symms
12. Mr. Kelly
13. Mr. Grassley
14. Mr. Coleman
15. Mr. Hopkins
16. Mr. Jones (Tenn.)
17. Mr. Weaver (proxy to Mr. Richmond)
18. Mr. Harkin (proxy to Mr. Richmond)
19. Mr. Akaka (proxy to Mr. Richmond)
20. Mr. Jeffords
21. Mr. Foley
22. Mrs. Heckler
23. Mr. Jones (N.C.)(proxy to Mr. Foley)
24. Mr. Whitley

N A Y S

1. Mr. Brown
2. Mr. Bowen
3. Mr. Rose
4. Mr. Panetta
5. Mr. Glickman
6. Mr. Coelho
7. Mr. Daschle

Thus, by a roll call vote of 24 yeas-7 nays the Kelly amendment, as amended, was agreed to.

At 12:25 p.m. the meeting was adjourned to reconvene at 10:00 a.m. on Friday, June 1, to continue consideration of the bill, H.R. 4057.

Glenda Temple

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Thursday, May 31, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Hearing

Subject: Milk Price Support

Bill Nos. H.R. 4167

The Dairy and Poultry (Sub) Committee

met in Open Session at 10:10 a.m o'clock, in Room 1302 LHOB.

The following Members were present:

| | | |
|---|---|---|
| Mr. Baldus, Chairman | Mr. Jeffords | Mr. |
| Mr. Coelho | Mr. Kelly | Mr. |
| Mr. Whitley | Mr. Hagedorn | Mr. |
| Mr. Anthony | Mr. Hopkins | Mr. |
| Mr. Stenholm | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler West, Staff Director
John Hogan, Counsel
Tony Imhof, Associate Counsel
Bob Franks, Assistant Counsel
Al Zepp, Subcommittee Staff Consultant
George Dunsmore, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

Honorable Bob Bergland, Secretary, U.S. Department of Agriculture, accompanied by: Mr. Howard Hjort, Director of Economics, Policy Analysis and Budget

Statements Filed:

NONE

Thursday, May 31, 1979
Subcommittee on Dairy and Poultry
Public Hearing
Milk Price Support
H.R. 4167

Chairman Baldus called the meeting to order and introduced his brother and family.

Secretary Bergland was recognized to give his prepared statement following which he and Mr. Hjort responded to questions by Members of the Subcommittee.

The meeting was adjourned at 11:00 a.m. to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

**MINUTES**

Date Thursday, May 31, 1979

(Sub) Committee Family Farms, Rural Development, and Special Studies

Meeting: Business

Subject: Agricultural Land Protection Act

Bill Nos. H.R. 2551; H.R. 4227; and related bills

The Family Farms, Rural Development, and Special Studies (Sub) Committee met in open Session at 2:00 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Nolan | Mr. | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. Anthony | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Grassley | Mr. | Mr. |
| Mr. Coleman | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Members Also Present:

Mr. Jeffords

Staff present:

Tony Imhof, Counsel
John Hogan, Counsel
Gary L. Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Jim Swiderski, Subcommittee Staff Consultant
Steve Adams, Staff Assistant
George Dunsmore, Staff Assistant

Witnesses:

None

Statements Filed:

None

Thursday, May 31, 1979
Family Farms, Rural Development, and Special Studies Subcommittee
Business Meeting
Agricultural Land Protection Act
H.R. 2551; H.R. 4227; and related bills

Action Taken:

-- Without objection revised Nolan-Jeffords and Grassley amendments substituted.

-- By roll call vote of 5 yeas-7 nays Grassley substitute amendment not agreed to.

-- By unanimous voice vote Nolan-Jeffords amendment to H.R. 2551 agreed to.

-- By voice vote H.R. 2551, as amended, ordered reported to the full Committee.

Chairman Nolan called the meeting to order and asked unanimous consent that the attached Nolan-Jeffords and Grassley amendments be substituted for the pending amendments. There was no objection.

Mr. Jeffords was recognized to explain the provisions of the revised amendment. Mr. Grassley was recognized to explain the provisions of his revised substitute amendment. Discussion occurred on the amendments.

Mr. Grassley requested a recorded vote on his amendment, and the vote follows:

YEAS

1. Mr. Panetta
2. Mr. Grassley
3. Mr. Sebelius (proxy to Mr. Grassley)
4. Mr. Coleman (proxy to Mr. Grassley)
5. Mr. Thomas (proxy to Mr. Grassley)

NAYS

1. Mr. Akaka (proxy to Mr. Nolan)
2. Mr. Harkin
3. Mr. Daschle (proxy to Mr. Nolan)
4. Mr. Anthony
5. Mr. Richmond (proxy to Mr. Nolan)
6. Mr. Bedell (proxy to Mr. Nolan)
7. Mr. Nolan

Thus, by a roll call vote of 5 yeas-7 nays the Grassley substitute amendment was not agreed to.

Thursday, May 31, 1979
Family Farms, Rural Development, and
Special Studies Subcommittee
Business Meeting
Agricultural Land Protection Act
H.R. 2551; H.R. 4227; and related
bills

By a unanimous voice vote the Nolan-Jeffords amendment to H.R. 2551 was adopted. By a voice vote H.R. 2551, as amended, was ordered reported to the full Committee. Staff was directed to prepare a clean bill for introduction to reflect the Subcommittee's intent for consideration by the full Committee

At 3:00 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

5/31

AMENDMENT IN THE NATURE OF A SUBSTITUTUE TO
H.R. 2551, THE AGRICULTURAL LAND PROTECTION ACT

Page 2, line 3, strike out all after the enacting clause and insert the following:

SHORT TITLE

SEC. 1. This Act may be cited as the "Agricultural Land Protection Act".

## TITLE I—FEDERAL AGENCY COMPLIANCE

DECLARATION OF PURPOSE

SEC. 101. The purposes of this title are to--

(1) recognize and respect the rights and responsibilities of private landholders in making land use decisions and the rights and responsibilities of State and units of local government in developing public policies regarding non-Federal land use;

(2) provide for—

(A) the management of Federal lands (owned or leased) in a manner which requires Federal agencies to consider the effects such management has on adjacent private and public agricultural land; and

(B) the coordination of such management with the management of adjacent private and public agricultural lands;

(3) conduct Federal land oriented programs so that such programs contribute to the Nation's short- and long-range needs for adequate supplies of food, fiber, wood, water, and agricultural land; and

(4) assure that Federal actions do not cause agricultural land to be irreversibly converted to nonagricultural uses unless other national interests outweigh the benefits derived from retaining such land for agricultural purposes.

DEVELOPMENT OF INTERNAL POLICIES

SEC. 102. The Congress authorizes and directs that, to the fullest extent possible—

(1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this title; and

(2) all agencies of the Federal Government shall—

(A) identify and develop methods and procedures, which will insure that retention and protection of agricultural land for agricultural purposes be given appropriate weight in decision-making along with other considerations;

(B) identify significant effects on agricultural land of any major action they may undertake and specify in the Federal Register what alternative proposals may be available to such action that would lessen the impact of such action on the conversion of such agricultural lands to nonagricultural purposes; and

(C) make available to States, units of local government, institutions, and individuals, information useful in restoring, maintaining, and enhancing the quantity and quality of agricultural land;

CONFORMITY OF ADMINISTRATIVE PROCEDURES

SEC. 103. All agencies of the Federal Government shall review their present statutory authority, administrative regulations, and current policies and procedures for the purpose of determining whether there are any deficiencies or inconsistencies therein which prohibit full compliance with the purposes and provisions of this title and shall propose to the President not later than nine months after the effective date of this title, such measures as may be necessary to bring their authority and policies into conformity with the intent, purposes, and procedures set forth in this title.

CONFORMITY OF FEDERAL ACTIONS

Sec. 104. Each Federal agency conducting or supporting any major action significantly affecting agricultural land identified by the State or local government for preservation shall conduct such action in a manner consistent to the maximum extent practicable, with the agricultural land retention laws or ordinances established by such State or unit of local government.

Sec. 105. The provisions of this title shall become effective on the date of enactment of this Act.

TITLE II—FARMLAND REVIEW STUDY

STUDY AND REPORT

SEC. 201. (a) It shall be the duty of the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary")—

(1) to develop, gather, and make available such information as may be necessary to allow States and units of local government to make informed decisions concerning agricultural land; and

(2) to conduct a comprehensive study of—

(A) the quantity, quality, location, availability, ownership, and financing of agricultural land in the United States;

(B) the, relationship of such land to the supply, demand, and production of food;

(C) the relationship between the national concern for agricultural land and other national concerns (including energy, the economy, the environment, population growth, urban growth and development, foreign relations and trade, and humanitarian aid);

(D) the effects of urbanization, industrial development, and other nonagricultural activities (such as air and water pollution, soil contamination, and losses due to theft, trespassing, and van-

dalism) on agricultural land, including the productivity of such land;

(E) the effects of existing Federal laws or regulations including regulations issued or amended as a result of the requirements of Title I and regulations on the use of agricultural land, including the productivity of such land;

(F) the effects of variable and unpredictable factors (including climate, agricultural technology, air pollution, genetic vulnerability, availability of future supplies of energy and fertilizer, and soil salinity) on productivity of agricultural land;

(G) the acquisitions of agricultural land by persons who are not engaged in farming activities in the United States (including acquisitions by agricultural land investment funds, trusts, foreign citizens or agents of foreign citizens, or other similar entities) and the effects of such acquisitions on agricultural production;

(H) the effects of competition for water between agricultural and nonagricultural users;

(I) methods of protecting and improving agricultural land, including an analysis of the relative costs and benefits of such methods; and

(J) methods of reducing the amount of agricultural land, especially in and around urban

areas, being converted from agricultural uses to nonagricultural uses.

(b) Within thirty months after the effective date of this title, the Secretary shall transmit to the President and to the Congress the results of the study conducted under subsection (a)(2) of this section. In preparing such report, the Secretary shall hold public hearings and invite public comment on such study.

(c) Such report shall include findings, conclusions, and recommendations of the Secretary concerning—

(1) Federal policies, programs, regulations, and laws which affect the quantity or quality of agricultural land in the United States;

(2) identification and coordination of activities (such as issuing permits and making grants or loans) which are being carried out by Federal departments and agencies and which affect agricultural land;

(3) methods of ensuring that major actions of the Federal Government and State and local programs for are consistent with the retention, protection, and improvement of agricultural land; and

(4) methods of retaining, protecting, and improving the quantity and quality of agricultural land and the relative costs and benefits of such methods.

(5) the implementation and effectiveness of regulations issued or amended as required by Title I and the status and effectiveness of programs and projects provided for in Title III.

47-987 O - 79 - 33

(d) The Secretary may appoint an advisory committee to assist the Secretary in carrying out the provisions of this title from among persons who are specially qualified to serve on the advisory committee by virtue of their education, training or experience.

(e) Notwithstanding the provisions of this title the Secretary need not conduct the study or submit the report required by this title if there is established a Federal Interagency Task Force to study and make recommendations on substantially the same issues affecting agricultural land as are provided for in this title and which Task Force is required to submit a report not later than April 1, 1983.

(f) Notwithstanding the provisions of section 201(e) the Secretary shall submit a report not later than 12 months after the effective date of this title which shall:

(1) analyze the operation and effectiveness of projects operated by local units of government for developing, demonstrating, or testing methods for reducing the quantity of agricultural land being converted to nonagricultural uses;

(2) analyze the effectiveness of various methods of Federal assistance to local units of government in the conduct of future projects designed to preserve and retrain agricultural land for agricultural uses;

(3) recommend methods for assisting units of local government in making future projects more effective;

(4) recommend guidelines for determining to what extent Federal assistance should be given to units of local government requesting such assistance for the operation of projects provided for in title IV;

(5) recommend criteria which should be considered in approving applications for projects provided for in title IV; and

(g) The provisions of this title shall become effective on the date of enactment of this Act.

## TITLE III—DEMONSTRATION PROGRAM

### ESTABLISHMENT

SEC. 301. (a) The Secretary shall on the basis of recommendations made in the report provided for in section 201(f), develop and administer a program which will

provide financial and technical assistance to States and units of local governments for the purpose of demonstrating, and testing methods of reducing the quantity of agricultural land (including agricultural land in and around urban areas) being converted from agricultural uses to nonagricultural uses.

(b) Assistance provided under this title shall be subject to such fiscal control and fund accounting procedures as the Secretary may determine to be reasonable and consistent with the objectives of this Act.

### APPLICATION

SEC. 302. Any State or unit of local government interested in conducting a project developing, demonstrating, or testing a method of reducing the quantity of agricultural land being converted from agricultural uses to nonagricultural uses may submit to the Secretary an application at such time, in such form, and containing such information as the Secretary may, by rule, require.

APPROVAL OF APPLICATIONS

SEC. 303. (a) The Secretary shall establish and publish in the Federal Register criteria on the basis of which applicants are selected to receive assistance under this title. Such criteria shall give priority to applications under which the Secretary is satisfied will provide--

(1) timely and new information useful to the Secretary in carrying out the duties under this Act at a reasonable cost; and

(2) a range of projects to study in terms of geographical locations and methods of reducing the quantity of agricultural land being converted from agricultural uses to nonagricultural uses.

(b) The Secretary may only provide assistance with respect to applications under criteria established in subsection (a) and may not approve applications for projects which after September 30, 1983, will be dependant upon Federal funds for their continuing operations.

(c) The Secretary may not provide assistance under this title to more than two projects demonstrating or testing any individual method of reducing the amount of agricultural land being converted from agricultural uses to nonagricultural uses.

AMOUNT OF ASSISTANCE

SEC. 304. (a) Subject to the provisions of subsection (b) of this section, the amount of assistance which may be provided under this title with respect to any project shall be determined by the Secretary but may not exceed 50 per centum of the cost of establishing, demonstrating, conducting, and testing such project. The remainder of such costs shall be provided by the applicant in a manner which the Secretary determines is satisfactory. In determining the share of costs provided by the applicant, the Secretary must include the value of services provided by the applicant in planning, preparing, and issuing reports concerning, such project.

(b) The Secretary may not provide more than 20 per centum of any funds appropriated pursuant to this title for any fiscal year as assistance with respect to each project being carried out under this title during such fiscal year.

REPORT OF THE SECRETARY

SEC. 305. On or before April 1, 1984, the Secretary shall prepare and transmit a report to the President and to each House of the Congress. The report shall contain a detailed statement of the find-

ings and conclusions of the Secretary concerning the effectiveness of methods of reducing the quantity of agricultural land being converted from agricultural uses to nonagricultural uses.

## TITLE IV—TECHNICAL ASSISTANCE PROGRAM

SEC. 401. (a) The Secretary, acting through the Soil Conservation Service of the Department of Agriculture and other agencies the Secretary may deem appropriate, shall provide to States and units of local government technical assistance concerning methods of protecting agricultural land and reducing the quantity of such land being converted from agricultural uses to nonagricultural uses.

(b) As a part of the technical assistance provided under this section, the Secretary shall disseminate the latest information available concerning the study and other activities being carried out under title II of this Act and concerning the demonstration projects being conducted under title III of this Act.

## TITLE V—GENERAL PROVISIONS

### DEFINITIONS

SEC. 501. For purposes of this Act—

(1) the terms "agricultural land" and "farmland" mean any land (including cropland, pastureland, rangeland, or forest land) which—

(A) has the combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops, or a specific food or fiber crop, and is also available for any such use;

(B) has the soil quality, growing season, and moisture supply needed to economically produce sustained yields of food, fiber or wood when treated and managed, including water management, according to acceptable farming methods;

(C) has an adequate and dependable water supply from precipitation or irrigation, a favorable temperature and growing season, acceptable acidity or alkalinity and acceptable salt and sodium content;

(D) is permeable to water and air;

(2) The term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Marianna Islands, American Samoa, the Trust Territory of the Pacific Islands, or any territory or possession of the United States.

(3) The term "unit of local government" means the government of a county, municipality, town, township, village, or other unit of general government below the State level (determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes).

LIMITATIONS

SEC. 502. Nothing in this Act authorizes, or may be construed to authorize, the Federal Government on its own behalf or through requirements imposed on State or local governments--

(1) to restrict or otherwise regulate in any way the use of privately owned land;

(2) to deprive landowners of their rights to property or to income from the sale of property; or

(3) to abrogate, restrict, or in any way diminish existing authority and responsibilities of the various States and units of local government respecting land use, zoning, taxation, or any other aspect of the regulation, utilization, and disposition of public or private lands within their respective jurisdictions.

EFFECTIVE DATE

SEC. 503. Except as provided in title I and title II the provisions of this Act shall become effective October 1, 1981.

AUTHORIZATIONS FOR APPROPRIATIONS

Sec. 504. There are authorized to be appropriated to carry out the provisions of title III of this Act $15,000,000 for the fiscal year ending on September 30, 1981, $25,000,000 for the fiscal year ending on September 30, 1982, $20,000,000 for the fiscal year ending on September 30, 1983, and $500,000 for the fiscal year ending on September 30, 1984.

and amend the title to read as follows:

To establish internal Federal policy concerning protection of certain agricultural land; provide that Federal actions shall be consistent with State and local agricultural land protection programs; require the Secretary of Agriculture to study and report on problems affecting agricultural land; establish a demonstration program relating to methods of protecting certain agricultural land from being used for nonagricultural purposes; and for other purposes.

AMENDMENT TO THE NOLAN AMENDMENT

IN THE NATURE OF A SUBSTITUTE TO H.R. 2551

Offered by Mr. Grassley

Strike all after the short title and substitute in lieu thereof the following:

## TITLE I—FEDERAL AGENCY COMPLIANCE

### DECLARATION OF PURPOSE

SEC. 101. The purposes of this title are to--

(1) recognize and respect the rights and responsibilities of private landholders in making land use decisions and the rights and responsibilities of State and units of local government in developing public policies regarding non-Federal land use;

(2) provide for—

(A) the management of Federal lands in a manner which requires Federal agencies to consider the effects such management has on adjacent private and public agricultural land; and

(B) the coordination of such management with the management of adjacent private and public agricultural lands;

(3) require the conduct of Federal land oriented programs so that such programs contribute to the Nation's short- and long-range needs to assure adequate supplies of food, fiber, wood, water, and agricultural land; and

(4) assure that Federal actions do not cause agricultural land to be irreversibly converted to nonagricultural uses unless other national interests override the importance of preservation, or otherwise outweigh the environmental benefits derived from their protection.

DEVELOPMENT OF INTERNAL POLICIES

SEC. 102. The Congress authorizes and directs that, to the fullest extent possible—

(1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this title; and

(2) all agencies of the Federal Government shall—

(A) identify and develop methods and procedures, which will insure that preservation of agricultural land be given appropriate weight in decisionmaking along with economic and technical considerations;

(B) identify the effects of any action they may undertake on agricultural lands and consider what alternative proposals may be available to such action that would lessen any negative impact upon such agricultural lands;

(C) make available to States, units of local government, institutions, and individuals, information useful in restoring, maintaining, and enhancing the quantity and quality of agricultural land;

(D) promote retention of agricultural land for agricultural purposes in any case in which conversions of land (1) are proposed by a Federal agency, (2) are licensed by, or require approval by, a Federal agency, or (3) are inconsistent with State or local government agricultural land retention programs;

(E) give public notice in any instance in which they propose to use or propose to authorize the use of any agricultural land for a nonagricultural purpose and solicit the views of interested persons regarding such proposed action.

CONFORMITY OF ADMINISTRATIVE PROCEDURES

SEC. 103. All agencies of the Federal Government shall review their present statutory authority, administrative regulations, and current policies and procedures for the purpose of determining whether there are any deficiencies or inconsistencies therein which prohibit full compliance with the purposes and provisions of this title and shall propose to the President not later than July 1, 1980, such measures as may be necessary to bring their authority and policies into conformity with the intent, purposes, and procedures set forth in this title.

CONFORMITY OF FEDERAL ACTIONS

Sec. 104. Each Federal agency conducting or supporting any activity or development project shall conduct such activity or development project in a manner consistent, to the maximum extent practicable, with agricultural land retention programs established by a State or unit of local government.

TITLE II --STUDY OF PROTECTION OF AGRICULTURAL LAND

Sec. 201. Title V of the Rural Development Act of 1972 is amended as follows:

(a) The heading of title V is amended to read as follows: "Rural Development and Small Farm Research and Education and Protection of Agricultural Land".

(b) Section 501 of said Act is amended by changing the period at the end thereof to a semicolon and adding new subsections (e) and (f) reading as follows:

"(e) to provide for a study of agricultural land, especially the quantity, quality, location, availability, and ownership of agricultural land, for the purpose of making recommendations concerning methods of retaining, protecting and improving agricultural land;

"(f) to provide technical assistance for, and an information clearinghouse network relating to, agricultural land protection."

(c) Section 502 of said Act is amended by adding new subsections (e), (f), and (g) reading as follows:

"(e) Study of Agricultural Land.--

"(1) The Secretary shall study and make recommendations concerning the protection and preservation of agricultural land in the United States. In carrying out this responsiblity the Secretary shall study--

"(A) the quantity, quality, location, availability and financing of agricultural land in the United States;

"(B) the relationship of such land to the supply and demand of food and to the production of food;

"(C) the interrelationship of agricultural land as a national concern to other national concerns (including, but not limited to, energy, the economy, urban growth and development, foreign relations and trade, and humanitarian aid);

"(D) the effects of urbanization, industrial development, and other nonagricultural activities (such as air and water pollution, soil contamination, and losses due to theft, trespassing, and vandalism) on agricultural land and agricultural productivity;

"(E) the effects of agricultural operations (such as noise, dust, odors, and pesticide contamination) on urban areas and on individuals residing in and around urban areas;

"(F) the policies and actions of federal departments and agencies with respect to the extent to which they encourage or result in zoning and development-related actions of cities and urban communities that accelerate conversion of agricultural land;

"(G) the effects and interrelationships of existing federal, state and local statutes, rules, regulations, policies and actions affecting the use of land for agricultural purposes;

"(H) the effects of variable and unpredictable factors such as climate changes, agricultural technology, pollution, genetic vulnerability, soil salinity, environmental regulations, fertilizers, and fuels and energy resources on the productivity of agricultural land;

"(I) the acquisitions of agricultural land by persons who are not engaged in farming activities in the United States (including acquisitions by agricultural land investment funds, trusts, foreign citizens or agents of foreign citizens, or other similar entities) and the effects of such acquisitions on agricultural production;

"(J) the national regional and local need for methods of protecting and improving agricultural land;

"(K) existing and potential methods of reducing the amount of land which is annually being converted from agricultural uses to nonagricultural uses especially in and around urban areas, and the benefits of such methods with respect to their costs;

"(L) alternative roles for the federal government in relation to the roles of state and local governments and private citizens and groups in matters related to the protection and conservation of agricultural land, and the probable impacts of such alternative federal roles on the ability of U.S. agriculture to meet future food and fiber needs;

47-987 O - 79 - 34

"(M) the need to inventory, assess, and evaluate the Nation's agricultural land on a continuing basis in order to develop programs for the protection of such land and to assure that public and private decisions are made on an informed basis;

"(N) the effects of competition between agricultural and nonagricultural demands for water;

"(O) the relationship between future supplies of energy and fertilizer resources and the production of food from available agricultural land; and

"(P) ways in which the principles of individual property ownership and property rights with respect to agricultural land can be reaffirmed and protected in the policies, programs and actions of government at all levels.

"(2) In carrying out the study described in paragraph (1), the Secretary shall give priority and special attention to analysis and assessment of--

"(A) all data, statistics, studies, reports and other information on items (A) through (P) in paragraph (1) which have already been gathered, compiled or otherwise produced, and which can be made available to the Secretary;

"(B) the effects of federal laws, rules, regulations, policies and actions that directly or indirectly affect the use of land for agricultural purposes;

"(C) existing laws and public and private programs at state, regional and local levels designed to promote or encourage in any way the preservation of land for agricultural purposes, or reduce the loss of land for agricultural uses.

"(3) In order to obtain information for the study described in paragraph (1), the Secretary shall utilize to the maximum extent possible all pertinent available studies, reports, statistics and other data gathered, compiled or otherwise produced by departments and agencies of the federal government, state governments and subdivisions thereof, or other public or private bodies, groups, organizations or individuals.

"(4) The Secretary shall transmit to the President and to each House of the Congress, within twenty-four months after the date of enactment of this subsection, a preliminary report of his findings and conclusions concerning the study described in paragraph (1) and, within four years after such date, a final report of his findings and conclusions concerning such study. The preliminary and final reports shall also include recommendations for alternative strategies and options for dealing with any problems relating to agricultural land which the Secretary may have indentified during the course of his study. Such recommendations shall include--

"(A) any proposed modifications in policies, programs, rules, regulations, laws and actions of the United States, the states and political subdivisions of states which the Secretary may determine are necessary for the protection of agricultural lands and the rights of private property owners of such lands in the United States; and

"(B) proposals for coordination of activities which are carried out by a department or agency of the United States and which affect agricultural land, including activities such as issuing permits, making grants or loans, and carrying out programs.

"(5) In developing the preliminary report required in this subsection the Secretary shall consider information and recommendations from the public and the Advisory Committee authorized by paragraph (6) of this subsection, if established, and to facilitate communication of such information and recommendations the Secretary shall hold open hearings at locations in the United States where sufficient interest has been expressed to warrant such hearings. Upon submission of the preliminary report, the Secretary shall make it available to the public and to the Advisory Committee, if established, and invite public comments thereon. To facilitate communication of such comments and additional information and recommendations from the public, the Secretary shall hold open hearings at locations in the United States where sufficient interest has been expressed to warrant such hearings. The Secretary shall consider such comments, information and recommendations in the preparation of the final report of his findings and conclusions required in this subsection.

"(6)(A) The Secretary is authorized to establish an Agricultural Land Protection Advisory Committee to advise, consult with and make recommendations to the Secretary concerning the study and report required by this subsection. If established, such committee shall be composed of twenty-two members appointed by the Secretary as follows:

"(i) Two members of the Agriculture, Nutrition, and Forestry Committee of the Senate, one recommended by the chairman of that Committee and one recommended by the ranking minority member of that Committee.

"(ii) Two members of the Committee on Agriculture of the House of Representatives, one recommended by the chairman of that Committee and one recommended by the ranking minority member of that Committee.

"(iii) Eighteen appointed by the Secretary on a nonpartisan basis from among persons who are knowledgeable of and particularly interested in the protection of agricultural land. Four of the eighteen shall be State Commissioners or Secretaries of Agriculture and two shall be officers of a state, county or other political subdivision of a state. Three shall be recognized agricultural experts to be selected by the Secretary from nominations submitted by Land Grant colleges and universities or other institutions of higher education. Five of the eighteen shall be representatives of agricultural, agricultural commodity and/or agricultural related organizations to be selected by the Secretary from nominations submitted to him by such organizations.

"(B)(i) Members of the Advisory Committee who are Members of Congress or officers or employees of the U.S. Government shall receive no additional pay on account of their service on the Committee.

"(ii) Members of the Advisory Committee, other than those referred to in paragraph (i) shall receive $100 for each day (including traveltime) during which they are engaged in the business of the Committee.

"(iii) While away from their homes or regular places of business in the performance of services for the Advisory Committee, members of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

"(C) If established, the Advisory Committee shall be terminated by the Secretary on the date the final report required pursuant to paragraph (4) of this subsection is submitted.

"(f) Agricultural Land Protection Technical Assistance.--Agricultural land protection technical assistance shall consist of services, other than direct financial assistance, through which information, expertise and technical aid may be made available to states and units of local government concerning the protection of agricultural land and reduction of the quantity of such land being converted from agricultural to nonagricultural uses.

"(g) Agricultural Land Protection Information Clearinghouse Network.--This program shall provide for the collection, analysis and dissemination of information and data concerning the protection of agricultural land and methods of reducing the quantity of such land being converted from agricultural to nonagricultural uses."

(d) Section 503(b) is amended by--

(1) adding "(1)" immediately after the subsection designation;

(2) inserting the phrase "of subsections (a) and (b) of section 502" immediately after the word "purposes";

(3) changing the paragraph designations (1) through (4) as (A) through (D), respectively; and

(4) adding a new paragraph (2) reading as follows:

"(2) Such sums as the Congress shall appropriate to carry out the purposes of subsections (f) and (g) of section 502 of this title pursuant to subsection (a) shall be distributed by the Secretary as follows:

"(A) 4 per centum to be used by the Secretary for Federal administration, national coordination, and program assistance, with authority to reserve an additional 5 per centum for use by the Secretary in carrying out the Federal component of section 502(f); and

"(B) the remainder to be allocated as follows:

"(i) one-half to be allocated equally among the States requesting funds under this paragraph, after notification to all the States by the Secretary that such funding is available; and

"(ii) one-half to be allocated among the several States in such amounts as determined by the Secretary."

(e) Section 504(a) of said Act is amended by inserting the phrase ", except section 502(e)," immediately after the word "title".

(f) Section 505(a) of said Act is amended by inserting the phrase ", except section 502(e)," immediately after the word "title".

(g) Section 505(b) of said Act is amended by inserting the phrase ", except section 502(e)," immediately after the word "title" the first time it appears.

TITLE III--TECHNICAL ASSISTANCE PROGRAM

Sec. 301. (a) The Secretary (of Agriculture,) acting through the Soil Conservation Service of the Department of Agriculture, shall provide to States and units of local government technical assistance concerning methods of protecting agricultural land and reducing the quantity of such land being converted from agricultural uses to nonagricultural uses.

(b) As a part of the technical assistance provided under this section, the Secretary shall disseminate the latest information available concerning the study and other activities being carried out by the Secretary under title I of this Act.

TITLE IV --GENERAL PROVISIONS

Definitions

Sec. 401. For purposes of this Act--

(1) The term "agricultural land" means land capable or potentially capable of producing agricultural products, as determined by the Secretary of Agriculture.

(2) The term "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

(3) The term "unit of local government" means the government of a county, municipality, town, township, village, or other unit of general government below the State level (determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes).

Limitations

Sec. 402. Nothing in this Act authorizes, or may be construed to authorize, the Federal Government or any department, agency, or official thereof--

(1) to restrict or otherwise regulate in any way the use of privately owned land;

(2) to deprive landowners of their rights to property or to income from the sale of property; or

(3) to abrogate, restrict, or in any way diminish existing authority and responsibilities of the various States and units of local government respecting land use, zoning, taxation, or any other aspect of the regulation, utilization, and disposition of public or private lands within their respective jurisdictions.

Effective Date

Sec. 403. The provisions of this Act shall become effective October 1, 1980.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Thursday, May 31, 1979

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing

Subject: Federal Crop Insurance Act of 1979

Bill Nos.: H.R. 4119

The Conservation and Credit (Sub) Committee met in Open Session at 2:10 p.m. o'clock, in Room 1302 LHOB

The following Members were present:

| | | |
|---|---|---|
| Mr. Jones, Tenn., Chrm | Mr. Madigan | Mr. |
| Mr. Harkin | Mr. Coleman | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Baldus | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

John Hogan, Counsel
Bernard Brenner, Press Secretary
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Honorable Virginia Smith, Member of Congress from Nebraska

2. Dr. Howard W. Hjort, Director of Economic Policy Analysis and Budget, U.S. Department of Agriculture, for Honorable James M. Williams, Deputy Secretary,
   accompanied by: Mr. James Deal, Manager, Federal Crop Insurance Corp.
   Mr. Cliff Ouse, Special Assistant to the Secretary

3. Mr. Gordan Trapnell, Actuarial Research Corporation, Falls Church, Va.

4. Panel: Private insurance industry

   Mr. Neal L. Miesbach, Vice President, H.L. Patterson Company, Omaha, Nebr
   Mr. Roy M. Whiteman, County Companies, Bloomington, Illinois
   accompanied by: Mr. Ray Fosse, Crop-Hail Insurance Actuarial Assoc., Chicago, Illinois
   Mr. John Ames, National Crop Insurance Association, Colorado Springs, Colo.

Statements Filed:

An analysis of H.R. 4119 prepared by Gordon R. Trapnell

American Farm Bureau Federation

Thursday, May 31, 1979
Subcommittee on Conservation and Credit
Public Hearing
Federal Crop Insurance Act of 1979

Chairman Jones called the meeting to order and recognized the witnesses in the order listed on page 2 for their prepared testimony. The witnesses responded to questions by Members of the Subcommittee as appearing in the record.

Mr. Miesbach was introduced by Congressman Cavanaugh, and Mr. Whiteman was introduced by Congressman Madigan.

During the meeting, a recess was called from 3:00 to 3:35 to enable Members to respond to votes on the House Floor.

The Chairman adjourned the meeting at 4:40 p.m., to reconvene at 2:00 p.m., Tuesday, June 5, 1979, for the purpose of marking up H.R. 4119.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, June 5, 1979

Joint
(Sub) Committees on Department Investigations, Oversight, and Research, and Livestock and Grains

Meeting: Public Hearing

Subject: To create within the Commodity Credit Corporation a National Grain Board

Bill Nos. H.R. 4237

The Joint (Sub) Committees met in Open Session at 10:00 a.m. o'clock, in Room 1302 LHOB

The following Members were present:

| Department Investigations | Livestock and Grains | ALSO PRESENT: |
|---|---|---|
| Mr. de la Garza, Chrm | Mr. Rose, Chrm | Mr. Weaver |
| Mr. Skelton | Mr. Bedell | Mr. |
| Mr. Glickman | Mr. Daschle | Mr. |
| Mr. Grassley | Mr. Stenholm | Mr. |
| Mr. | Mr. de la Garza | Mr. |
| Mr. | Mr. Skelton | Mr. |
| Mr. | Mr. Nolan | Mr. |
| Mr. | Mr. Baldus | Mr. |
| Mr. | Mr. Sebelius | Mr. |
| Mr. | Mr. Johnson | Mr. |
| Mr. | Mr. Hagedorn | Mr. |
| Mr. | Mr. Coleman | Mr. |
| Mr. | Mr. Symms | Mr. |
| Mr. | Mr. Marlenee | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler West, Staff Director
Bernard Brenner, Press Secretary
Gene Moos, Staff Analyst
Gary L. Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Bert Pena, Subcommittee Staff Consultant
Claude Freeman, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Bill Fay, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Honorable Jim Weaver, Member of Congress from Oregon

2. Hon. Dale Hathaway, Under Secretary for International Affairs and Commodity Programs, U.S. Department of Agriculture,
accompanied by: Mr. Kelly Harrison, General Sales Manager

3. Honorable Richard Nolan, Member of Congress from Minnesota

4. Dr. Al Donahoo, Executive Vice President, Minneapolis Grain Exchange, Minneapolis, Minn.
accompanied by: Mr. Richard Goldberg, Member of the Board of Directors

5. Mr. W. C. Theis, Chairman, Legislative Committee, Board of Trade of Kansas City, Mo.
accompanied by: Mr. W. N. Vernon, III, Executive Vice President and Secretary

6. Mr. Warren Lebeck, Senior Executive Vice President, The Chicago Board of Trade, Chicago, Ill.

7. Panel:

   Mr. Rick Gilmore, Washington, D.C.

   Mr. Joseph Halow, Executive Director, North American Export Grain Association, Inc. Washington, D.C.

   Mr. Russell Arndt, Vice President, National Corn Growers Association, Des Moines, Iowa

   Mr. Martin Palmer, attorney, of Hagerstown, Maryland

Statements Filed:

NONE

Tuesday, June 5, 1979
Subcommittees on Department Investigations,
Oversight, and Research and Livestock and Grains
Public Hearing
H.R. 4237

Chairman Rose called the meeting to order and made an opening statement. The witnesses listed on page two were recognized to present their prepared testimony, and they answered questions from Members of the Subcommittee as appearing in the record.

The Subcommittee recessed at 12:20 for 20 minutes so that Members could respond to votes on the House Floor.

Chairman Rose adjourned the meeting at 1:37 p.m. to reconvene at 10:00 a.m. on Wednesday, June 6, 1979, to hear further testimony on H.R. 4237.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Tuesday, June 5, 1979

(Sub) Committee Conservation and Credit

Meeting: Business

Subject: Federal Crop Insurance Act of 1979

Bill Nos. H.R. 4119

The Conservation and Credit (Sub) Committee met in open Session at 2:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Jones (Tenn.) | Mr. | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. Baldus | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. English | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Madigan | Mr. | Mr. |
| Mr. Jeffords | Mr. | Mr. |
| Mr. Coleman | Mr. | Mr. |
| Mr. Marlenee | Mr. | Mr. |
| Mr. Hopkins | Mr. | |
| Mr. | Mr. | |

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

**Witnesses:**

The following represented the United States Department of Agriculture and responded to Member's questions.

1. Mr. James D. Deal, Manager, Federal Crop Insurance Corporation. USDA.

The following were in the audience and responded to questions concerning insurance or positions on the legislation.

1. Mr. E. Ray Fosse, Assistant Secretary, Crop Hail Insurance Actuarial Association.

2. Ms. Sally Kirkpatrick, American Insurance Association, 1028 Connecticut Ave., N.W., Washington, D. C. 20036

3. Mr. Kirk Miller, Assistant Director for National Affairs, American Farm Bureau Federation, Washington, D.C.

**Statements Filed:**

None

Tuesday, June 5, 1979
Conservation and Credit Subcommittee
Business Meeting
Federal Crop Insurance Act of 1979
H.R. 4119

Action Taken:

-- By show of hands vote of 4 yeas-5 nays English amendment to Coleman amendment not agreed to.

-- By show of hands vote of 1 yea-8 nays Coleman amendment not approved.

-- By show of hands vote of 1 yea-8 nays English amendment to Huckaby amendment not agreed to.

-- By show of hands vote of 10 yeas-1 nay Huckaby amendment approved.

-- By show of hands vote of 2 yeas-7 nays Huckaby amendment no. 2 not approved.

-- Without objection Jeffords proposed report language approved.

-- By show of hands vote of 7 yeas-3 nays previous question on English amendment ordered.

-- By roll call vote of 4 yeas-12 nays English amendment not agreed to.

Chairman Jones (Tenn.) called the meeting to order and announced that a quorum was present. Mr. Jones, Mr. Madigan, and Mr. English made brief opening statements.

Counsel was recognized to explain the provisions of the bill, H.R. 4119, the Federal Crop Insurance Act of 1979.

Mr. Coleman offered the following amendment to exempt hail, lightning and fire from the risks against loss which may be included in the insurance policy coverage authorized to be offered by FCIC:

> Page 7, immediately after line 6, insert the following new item (2) and renumber the subsequent amendments to section 508(a):
>
> (2) by striking out in the second sentence the words "hail," "lightning," and "fire,".

Discussion occurred on the amendment. Mr. English moved to amend the Coleman amendment, as follows:

Tuesday, June 5, 1979
Conservation and Credit Subcommittee
Business Meeting
Federal Crop Insurance Act of 1979
H.R. 4119

Strike all after "508(a)" and insert:

(2) by changing the period at the end of the second sentence to a colon and adding the following proviso: "Provided further, That insurance against losses due to hail, lightning, or fire shall be offered in any county only if insurance protection against such losses is not available from private companies in such county."

Discussion continued and by a show of hands vote of 4 yeas-5 nays the English amendment to the Coleman amendment was not agreed to. By a show of hands vote of 1 yea-8 nays the Coleman amendment was not approved.

Mr. Huckaby offered the following amendment whereby one of the price elections shall be of no less than 90 percent or the projected market price for the commodity involved, as follows:

Page 7, line 21, immediately after "approximate" insert ", but be no less than 90 percent of".

Discussion occurred and Mr. English moved to amend the Huckaby amendment by striking the word "projected" on page 7, line 21. Discussion continued and by a show of hands vote of 1 yea-8 nays the English amendment to the Huckaby amendment was not agreed to. By a show of hands vote of 10 yeas-1 nay the Huckaby amendment was then approved.

Mr. Huckaby offered an amendment on page 8, line 15, to change the figure "65 per centum" to "80 per centum". The amendment would provide coverage up to a maximum of 80 per centum of the recorded or appraised average yield shall be paid by the Corporation. Discussion occurred and Mr. Huckaby withdrew his amendment and offered the following language:

Page 8, line 2, delete the period and insert in lieu thereof "; and" and insert immediately following line 2 the following new paragraph:

(5) by striking out "75 per centum"wherever it appears in the seventh sentence and inserting in lieu thereof "80 per centum".

Page 8, line 15, strike "65 per centum" and insert in lieu thereof "80 per centum".

By a show of hands vote of 2 yeas-7 nays the amendment was not agreed to.

Tuesday, June 5, 1979
Conservation and Credit Subcommittee
Business Meeting
Federal Crop Insurance Act of 1979
H.R. 4119

Mr. Jeffords asked if language could be provided in the Committee Report concerning pages 4 and 5 of the bill whereby the Department would provide pilot projects regarding brucellosis insurance v. indemnity program. Without objection the Jeffords proposal was approved.

Mr. English offered an amendment to page 8, line 13, by striking "30" and inserting in lieu thereof "50". The amendment increased the amount of each producer's premium to be paid by the Corporation. Discussion occurred and by a show of hands vote of 7 yeas-3 nays the previous question was ordered. By a show of hands vote of 4 yeas-6 nays the English amendment was not agreed to. Mr. English requested a recorded vote and the vote follows:

YEAS

1. Mr. Harkin
2. Mr. Huckaby
3. Mr. Glickman
4. Mr. English

NAYS

1. Mr. Hance
2. Mr. Brown (proxy to Mr. Jones-Tenn.)
3. Mr. Richmond (proxy to Mr. Jones-Tenn.)
4. Mr. Baldus
5. Mr. Bedell
6. Mr. Madigan
7. Mr. Jeffords
8. Mr. Kelly (proxy to Mr. Madigan)
9. Mr. Coleman (proxy to Mr. Madigan)
10. Mr. Marlenee (proxy to Mr. Madigan)
11. Mr. Hopkins (proxy to Mr. Madigan)
12. Mr. Jones (Tenn.)

Thus, by a roll call vote of 4 yeas-12 nays the English amendment was not agreed to.

During the proceedings recesses were taken at 3:12 p.m. and 4:40 p.m. to enable Members to respond to recorded votes on the House Floor. At 5:40 p.m. the meeting was adjourned to reconvene at 2:00 p.m. on Wednesday, June 6, to conclude consideration of the pending legislation.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, June 6, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Food Stamp Act Amendment of 1979

Bill Nos. H.R. 4057

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Akaka | Mr. Wampler |
| Mr. de la Garza | Mr. Whitley | Mr. Sebelius |
| Mr. Jones (N.C.) | Mr. Coelho | Mr. Findley |
| Mr. Jones (Tenn.) | Mr. Daschle | Mr. Symms |
| Mr. Mathis | Mr. Hance | Mr. Johnson |
| Mr. Richmond | Mr. Anthony | Mr.s Heckler |
| Mr. Weaver | Mr. Stenholm | Mr. Jeffords |
| Mr. Baldus | Mr. | Mr. Kelly |
| Mr. Harkin | Mr. | Mr. Grassley |
| Mr. Bedell | Mr. | Mr. Hagedorn |
| Mr. English | Mr. | Mr. Coleman |
| Mr. Fithian | Mr. | Mr. Marlenee |
| Mr. Panetta | Mr. | Mr. Hopkins |
| Mr. Skelton | Mr. | Mr. Thomas |
| Mr. Huckaby | Mr. | |
| Mr. Glickman | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
John Kramer, Special Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Mary Jarratt, Staff Assistant
Anita Brown, Staff Assistant

Witnesses:

None

Statements Filed:

None

Wednesday, June 6, 1979
Full Committee
Business Meeting
Food Stamp Act Amendment of 1979
H.R. 4057

Action taken:

-- By roll call vote of 27 yeas-15 nays previous question ordered on Richmond motion to reconsider vote on Kelly amendment, as amended.

-- By roll call vote of 26 yeas-16 nays Richmond motion to reconsider the vote on the Kelly amendment, as amended, agreed to.

-- By roll call vote of 16 yeas-26 nays Kelly amendment, as amended, not approved.

-- By roll call vote of 30 yeas-12 nays H.R. 4057, amended, ordered reported to the House in the presence of a quorum with the recommendation that it do pass.

Chairman Foley called the meeting to order for the purpose of continuing consideration of the bill H.R. 4057, the Food Stamp Act Amendment of 1979. The Clerk was directed to call the roll. The following Members responded when their names were called:

| | | | |
|---|---|---|---|
| 1. | Mr. Jones (N.C.) | 17. | Mr. Grassley |
| 2. | Mr. Richmond | 18. | Mr. Hagedorn |
| 3. | Mr. Baldus | 19. | Mr. Coleman |
| 4. | Mr. Bedell | 20. | Mr. Hopkins |
| 5. | Mr. Panetta | 21. | Mr. Thomas |
| 6. | Mr. Huckaby | 22. | Mr. Foley |
| 7. | Mr. Glickman | 23. | Mr. Jones (Tenn.) |
| 8. | Mr. Whitley | 24. | Mr. Mathis |
| 9. | Mr. Coelho | 25. | Mr. Weaver |
| 10. | Mr. Daschle | 26. | Mr. English |
| 11. | Mr. Hance | 27. | Mr. Fithian |
| 12. | Mr. Anthony | 28. | Mr. Skelton |
| 13. | Mr. Stenholm | 29. | Mr. de la Garza |
| 14. | Mr. Wampler | 30. | Mr. Sebelius |
| 15. | Mrs. Heckler | 31. | Mr. Johnson |
| 16. | Mr. Kelly | 32. | Mr. Harkin |

Thirty-two Members having responded, a quorum was established.

Wednesday, June 6, 1979
Full Committee
Business Meeting
Food Stamp Act Amendment of 1979
H.R. 4057

Mr. Richmond was recognized and moved to reconsider the vote on the Kelly amendment, as amended by Mr. de la Garza, (see minutes of May 31 for copy of amendment). He stated that he was qualified to make the motion as he had voted on the prevailing side.

Mr. Kelly made a point of order and asked if the motion was debatable. Chairman Foley asked for the record of the May 31 meeting and after checking the transcript advised that the motion was debatable and discussion occurred. Chairman Foley, Subcommittee Chairman Richmond, and Mr. de la Garza assured the Members that a bill similar to the language contained in the Kelly amendment would be considered and moved expeditiously in order to consider both bills on the Floor at approximately the same time. The Members were advised that to facilitate the emergency nature of the legislation to raise the cap the pending legislation should be reported separately. Discussion continued.

Mr. de la Garza moved the previous question on the motion to reconsider and by a show of hands vote of 15 yeas-12 nays the previous question was ordered. Mr. Kelly requested a recorded vote and 10 Members sustained the request. The vote follows:

1. Mr. de la Garza
2. Mr. Jones (N.C.)
3. Mr. Richmond
4. Mr. Nolan (proxy to Mr. Richmond)
5. Mr. Weaver
6. Mr. Baldus
7. Mr. Harkin
8. Mr. Bedell
9. Mr. Panetta
10. Mr. Glickman
11. Mr. Akaka
12. Mr. Whitley
13. Mr. Coelho
14. Mr. Daschle
15. Mr. Hance
16. Mr. Anthony
17. Mr. Stenholm
18. Mr. Foley
19. Mr. Jones (Tenn.)
20. Mr. Brown (proxy to Mr. Foley)
21. Mr. Bowen (proxy to Mr. Foley)
22. Mr. Rose (proxy to Mr. Foley)
23. Mr. English
24. Mr. Fithian (proxy to Mr. Foley)
25. Mr. Skelton
26. Mr. Huckaby
27. Mr. Mathis

N A Y S

1. Mr. Wampler
2. Mr. Findley
3. Mr. Symms
4. Mrs. Heckler
5. Mr. Jeffords
6. Mr. Kelly
7. Mr. Grassley
8. Mr. Hagedorn
9. Mr. Coleman
10. Mr. Marlenee
11. Mr. Hopkins
12. Mr. Thomas
13. Mr. Sebelius
14. Mr. Johnson
15. Mr. Madigan (proxy to Mr. Wampler)

Wednesday, June 6, 1979
Full Committee
Business Meeting
Food Stamp Act Amendment of 1979
H.R. 4057

Thus, by a roll call vote of 27 yeas-15 nays the previous question was ordered.

The vote occurred on the motion to reconsider and by a show of hands vote of 18 yeas-12 nays the motion was agreed to. Mr. Kelly requested a recorded vote and 10 Members sustained the request. The vote follows:

Y E A S

1. Mr. Jones (N.C.)
2. Mr. Jones (Tenn.)
3. Mr. Richmond
4. Mr. Nolan (proxy to Mr. Richmond)
5. Mr. Weaver
6. Mr. Baldus
7. Mr. Harkin
8. Mr. Bedell
9. Mr. English
10. Mr. Panetta
11. Mr. Skelton
12. Mr. Huckaby
13. Mr. Glickman
14. Mr. Akaka
15. Mr. Whitley
16. Mr. Coelho
17. Mr. Daschle
18. Mr. Hance
19. Mr. Anthony
20. Mr. Stenholm
21. Mr. Foley
22. Mr. Brown (proxy to Mr. Foley)
23. Mr. Bowen (proxy to Mr. Foley)
24. Mr. Rose (proxy to Mr. Foley)
25. Mr. Fithian (proxy to Mr. Foley)
26. Mr. de la Garza

N A Y S

1. Mr. Mathis
2. Mr. Wampler
3. Mr. Sebelius
4. Mr. Findley
5. Mr. Symms
6. Mr. Johnson
7. Mr. Madigan (proxy to Mr. Wampler)
8. Mrs. Heckler
9. Mr. Jeffords
10. Mr. Kelly
11. Mr. Grassley
12. Mr. Hagedorn
13. Mr. Coleman
14. Mr. Marlenee
15. Mr. Hopkins
16. Mr. Thomas

Thus, by a roll call vote of 26 yeas-16 nays the Richmond motion to reconsider the vote on the Kelly amendment, as amended, was agreed to.

Discussion occurred on the Kelly amendment, as amended. By a show of hands vote of 10 yeas-16 nays the amendment was not agreed to. Mr. Kelly requested a recorded vote and 11 Members sustained the request. The vote follows:

Wednesday, June 6, 1979
Full Committee
Business Meeting
Food Stamp Act Amendment of 1979
H.R. 4057

Y E A S

1. Mr. Mathis
2. Mr. Wampler
3. Mr. Sebelius
4. Mr. Findley
5. Mr. Symms
6. Mr. Johnson (proxy to Mr. Wampler)
7. Mrs. Heckler
8. Mr. Jeffords
9. Mr. Kelly
10. Mr. Grassley
11. Mr. Hagedorn
12. Mr. Coleman
13. Mr. Marlenee
14. Mr. Hopkins
15. Mr. Thomas
16. Mr. Madigan (proxy to Mr. Wampler)

N A Y S

1. Mr. de la Garza
2. Mr. Jones (N.C.)
3. Mr. Jones (Tenn.)
4. Mr. Richmond
5. Mr. Nolan (proxy to Mr. Richmond)
6. Mr. Weaver
7. Mr. Baldus
8. Mr. Harkin
9. Mr. Bedell
10. Mr. Panetta
11. Mr. Huckaby
12. Mr. Glickman
13. Mr. Akaka
14. Mr. Whitley
15. Mr. Coelho (proxy to Mr. Richmond)
16. Mr. Daschle
17. Mr. Hance
18. Mr. Anthony
19. Mr. Stenholm
20. Mr. Foley
21. Mr. Brown (proxy to Mr. Foley)
22. Mr. Bowen (proxy to Mr. Foley)
23. Mr. Rose (proxy to Mr. Foley)
24. Mr. English
25. Mr. Fithian (proxy to Mr. Foley)
26. Mr. Skelton

Thus, by a roll call vote of 16 yeas-26 nays the Kelly amendment, as amended, was not approved.

Mr. Richmond moved that H.R. 4057, as amended, be ordered reported to the House with the recommendation that it do pass. By a show of hands vote of 16 yeas-6 nays the motion was approved. A roll call vote was requested and 12 Members sustained the request. The vote follows:

Wednesday, June 6, 1979
Full Committee
Business Meeting
Food Stamp Act Amendment of 1979
H.R. 4057

Y E A S

1. Mr. de la Garza
2. Mr. Jones (N.C.)
3. Mr. Jones (Tenn.)
4. Mr. Richmond
5. Mr. Nolan (proxy to Mr. Richmond)
6. Mr. Weaver
7. Mr. Baldus
8. Mr. Harkin
9. Mr. Bedell
10. Mr. Panetta
11. Mr. Huckaby
12. Mr. Glickman
13. Mr. Akaka
14. Mr. Whitley
15. Mr. Coelho (proxy to Mr. Richmond)
16. Mr. Daschle
17. Mr. Anthony
18. Mr. Wampler
19. Mr. Findley
20. Mrs. Heckler
21. Mr. Jeffords
22. Mr. Grassley
23. Mr. Hopkins
24. Mr. Foley
25. Mr. Brown (proxy to Mr. Foley)
26. Mr. Bowen (proxy to Mr. Foley)
27. Mr. Rose (proxy to Mr. Foley)
28. Mr. Fithian (proxy to Mr. Foley)
29. Mr. Skelton (proxy to Mr. Foley)
30. Mr. Madigan (proxy to Mr. Wampler)

N A Y S

1. Mr. Mathis
2. Mr. English
3. Mr. Stenholm
4. Mr. Sebelius
5. Mr. Kelly
6. Mr. Hagedorn
7. Mr. Coleman
8. Mr. Marlenee
9. Mr. Thomas
10. Mr. Hance
11. Mr. Symms (proxy to Mr. Kelly)
12. Mr. Johnson (proxy to Mr. Wampler)

Thus, by a roll call vote of 30 yeas-12 nays H.R. 4057, amended, was ordered reported to the House in the presence of a quorum (32 Members present and voting).

During the proceedings Mr. Harkin introduced a group of 4-H students from Story County, Iowa. In addition, the Honorable Wiley Mayne, a former Member of the Committee, was present and was greeted by the Members.

At 12:25 p.m. the meeting was adjourned to reconvene at 10:30 a.m. on Thursday, June 7, for consideration of H.R. 4167, 80 percent parity dairy price support legislation, and S. 41, land conveyance in Bell County, Kentucky, legislation.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, June 6, 1979

Joint
(Sub) Committees on Department Investigations, Oversight, and Research and Livestock and Grains
Meeting: Public Hearing

Subject: To create within the Commodity Credit Corporation a National Grain Board
Bill Nos. H.R. 4237

The Joint (Sub) Committees met in Open Session at 10:10 a.m. o'clock, in Room 1302 LHOB.

The following Members were present:

| Department Investigations | Livestock and Grains | ALSO PRESENT: |
|---|---|---|
| Mr. | Mr. | Mr. |
| Mr. de la Garza, Chrm | Mr. Bedell | Mr. Weaver |
| Mr. Fithian | Mr. Daschle | Mr. |
| Mr. Skelton | Mr. Stenholm | Mr. |
| Mr. Grassley | Mr. de la Garza | Mr. |
| Mr. | Mr. Fithian | Mr. |
| Mr. | Mr. Skelton | Mr. |
| Mr. | Mr. Baldus | Mr. |
| Mr. | Mr. Hance | Mr. |
| Mr. | Mr. Sebelius | Mr. |
| Mr. | Mr. Johnson | Mr. |
| Mr. | Mr. Hagedorn | Mr. |
| Mr. | Mr. Marlenee | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Claude Freeman, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Kathy Harris, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Mr. Robert Kohlmeyer of Cargill, Inc., for National Grain and Feed Association, Washington, D.C.

2. Panel:

   Mr. Rich Pennell, Manager, Producer Services, North Pacific Grain, Inc., Portland, Ore.

   Mr. William F. Brooks, National Grain Trade Council, Washington, D.C.

   Mr. Jack Felgenhauer of Fairfield, Washington, for National Association of Wheat Growers, Washington, D.C.

   Mr. Michael L. Hall, President, Great Plains Wheat, Inc., Washington, D.C.

3. Panel:

   Mr. Reuben Johnson, National Farmers Union, Washington, D.C.

   Mr. Glenn Tussey, American Farm Bureau Federation, Washington, D.C.

   Ms. Patty Stulp of Yuma, Colorado, for American Agriculture Movement, accompanied by: Ms. Joyce Robinson of Montana

   Mr. Glen Hofer, National Council of Farmer Cooperatives, Washington, D.C.

   Ms. Catherine Lerza, National Family Farm Coalition, Washington, D.C.

Statements Filed:

Items submittee by Congressman Johnson of Colorado relative to relationship between price of grain and fuel

Article from Cargill Crop Bulletin by Melvin H. Middents entitled "In My Opinion"

Wednesday, June 6, 1979
Subcommittees on Department Investigations,
Oversight and Research and Livestock and Grains
Public Hearing
H.R. 4237

Acting Chairman Skelton called the meeting to order and the witnesses were recognized in the order listed on page two for their prepared testimony. The individual witnesses were questioned by Members of the SUbcommittee immediately after their testimony; the panels were questioned en bloc.

During the meeting, recesses were called at 10:55-11:00 to enable Members to vote in full Committee; at 10:30-10:35 and 12:05-09 so that Members could answer votes on the House Floor.

The chair was held by Mr. Skelton 10:10-10:35, 11:00-11:45, 11:47-12:04; by Mr. de la Garza 10:35-11:00, 11:45-11:47, 12:09-12:20; and by Mr. Marlenee 12:04-12:05.

Chairman de la Garza adjourned the meeting at 12:20 to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Wednesday, June 6, 1979

(Sub) Committee Conservation and Credit

Meeting: Business

Subject: Federal Crop Insurance Act of 1979

Bill Nos. H.R. 4119

The Conservation and Credit (Sub) Committee met in open Session at 2:00 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Jones (Tenn.) | Mr. | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. Baldus | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. English | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Madigan | Mr. | Mr. |
| Mr. Coleman | Mr. | Mr. |
| Mr. Marlenee | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to questions:

1. Mr. James D. Deal, Manager, Federal Crop Insurance Corporation, USDA.

2. Mr. Jim Crogan, Agricultural Stabilization and Conservation Service, USDA.

Statements Filed:

None

Wednesday, June 6, 1979
Conservation and Credit Subcommittee
Business Meeting
Federal Crop Insurance Act of 1979
H.R. 4119

Action Taken:

-- Without objection English mendment to Harkin substitute amendment to English amendment withdrawn.

-- By roll call vote of 6 yeas-12 nays Huckaby amendment to Harkin substitute amendment to English amendment not agreed to.

-- By show of hands vote of 7 yeas-4 nays Harkin substitute amendment to English amendment approved.

-- By show of hands vote of 6 yeas-4 nays English amendment, as amended by Harkin substitute amendment adopted.

-- By roll call vote of 7 yeas-11 nays English amendment providing flexibility not approved.

-- By roll call vote of 12 yeas-6 nays Madigan substitute amendment to English amendment on continuation of disaster program agreed to.

-- Without objection Bedell unanimous consent request to clarify Federal Crop Insurance Act of 1979 approved.

-- By show of hands vote of 8 yeas-4 nays English amendment, as amended by Madigan substitute amendment agreed to.

-- By roll call vote of 16 yeas-2 nays Huckaby amendment providing for three levels of coverage adopted.

-- By show of hands vote of 3 yeas-7 nays Hance amendment not approved.

-- By roll call vote of 10 yeas-8 nays H.R. 4119, as amended, ordered reported to the full Committee in the presence of a quorum.

Chairman Jones (Tenn.) called the meeting to order for the purpose of continuing consideration of the bill, H.R. 4119, the Federal Crop Insurance Act of 1979.

47-987 O - 79 - 36

Wednesday, June 6, 1979
Conservation and Credit Subcommittee
Business Meeting
Federal Crop Insurance Act of 1979
H.R. 4119

Counsel advised that at the conclusion of the previous meeting the Subcommittee was considering amendments to section 7. Mr. English was recognized to offer an amendment to section 7(copy attached). The amendment would provide a 50 percent subsidy to farmers who were taking the basic coverage and leave a 30 percent subsidy to farmers who take the second level of coverage. Discussion occurred on the English amendment.

Mr. Harkin offered the attached substitute amendment. The amendment was designed to give discretionary power to the Board to require the Corporation to pay additional and/or graduated subsidies dependent on the size of the farm. Discussion continued.

Mr. English offered the following amendment to the Harkin substitute:

> Add the following: "However, no farmer shall be required to pay more than $10 per acre to be adjusted upward in direct relationship to price increases in wheat, feed grains, upland cotton and rice respective of the crop grown by the farmer."

The effect of the English amendment to the Harkin substitute amendment would be to provide a cap. Discussion continued on the amendments and without objection Mr. English withdrew his amendment to the Harkin substitute.

Discussion continued and Mr. Huckaby moved to amend the Harkin substitute amendment by striking the word "may" and inserting the word "shall" and on the third line after the word "farms" by adding "to assure at least 50 percent participation by eligible farmers".

Mr. Huckaby explained that his amendment would assure that the Corporation will exercise the authority up to the point that is necessary to get 50 percent of the eligible farmers participating in the program. Discussion occurred.

By a show of hands vote of 5 yeas-5 nays the Huckaby amendment to the Harkin substitute amendment was not agreed to. Mr. Huckaby requested a recorded vote and the vote follows:

Wednesday, June 6, 1979
Conservation and Credit Subcommittee
Business Meeting
Federal Crop Insurance Act of 1979
H.R. 4119

Y E A S

1. Mr. Harkin
2. Mr. Huckaby
3. Mr. Glickman
4. Mr. English
5. Mr. Daschle
6. Mr. Hance

N A Y S

1. Mr. Baldus
2. Mr. Bedell
3. Mr. Madigan
4. Mr. Jeffords (proxy to Mr. Madigan)
5. Mr. Kelly (proxy to Mr. Madigan)
6. Mr. Coleman (proxy to Mr. Madigan)
7. Mr. Marlenee
8. Mr. Hopkins (proxy to Mr. Madigan)
9. Mr. Jones (Tenn.)
10. Mr. Brown (proxy to Mr. Jones) (Tenn.)
11. Mr. Richmond (proxy to Mr. Jones) (Tenn.)
12. Mr. Panetta

Thus,by a roll call vote of 6 yeas-12 nays the Huckaby amendment to the Harkin substitute amendment to the English amendment was not agreed to.

By a show of hands vote of 7 yeas-4 nays the Harkin substitute amendment to the English amendment was agreed to. By a show of hands vote of 6 yeas-4 nays the English amendment, as amended by the Harkin substitute, was approved.

Mr. English offered the following amendment to section 7 which would provide more flexibility:

> On line 13, strike "30" and insert in lieu thereof "not less than 40 percentum not more than 60 percentum".

By a show of hands vote of 6 yeas-4 nays the English amendment was agreed to. Mr. Madigan requested a recorded vote, as follows:

Y E A S

1. Mr. Harkin
2. Mr. Huckaby
3. Mr. Glickman
4. Mr. Hance
5. Mr. English
6. Mr. Daschle
7. Mr. Marlenee

N A Y S

1. Mr. Brown (proxy to Mr. Jones)(Tenn.)
2. Mr. Richmond (proxy to Mr. Jones)(Tenn.)
3. Mr. Baldus
4. Mr. Bedell
5. Mr. Panetta
6. Mr. Madigan
7. Mr. Jeffords (proxy to Mr. Madigan)
8. Mr. Kelly (proxy to Mr. Madigan)
9. Mr. Coleman (proxy to Mr. Madigan)
10. Mr. Hopkins (proxy to Mr. Madigan)
11. Mr. Jones (Tenn.)

Thus, by a roll call vote of 7 yeas-11 nays the English amendment was not approved.

Counsel continued explaining the provisions of the legislation and discussion occurred.

Mr. English moved to amend section 12 by striking the last sentence. The purpose of the amendment would be to permit the continuation of the current disaster program until the expiration of the current farm bill. Discussion occurred.

Mr. Madigan moved a substitute amendment, as follows:

Page 13, beginning line 21, strike "1980 and 1981 crop years" and insert "1981 crop year".

Conforming technical amendments:

1. Page 1, line 6, strike "1979" and insert "1980".

2. Page 7, line 6, strike "1980" and insert "1981".

3. Page 11, line 8, strike "1979" and insert "1980".

The Madigan substitute amendment in addition to extending the disaster program for an additional year would delay for one year the start-up date of the program authorized by the Federal Crop Insurance Act of 1979. Discussion occurred.

Wednesday, June 6, 1979
Conservation and Credit Subcommittee
Business Meeting
Federal Crop Insurance Act of 1979
H.R. 4119

Mr. Bedell asked unanimous consent that the last line of the bill be amended to reflect the Federal Crop Insurance Act of 1979 and there was no objection.

Discussion continued on the English amendment and the Madigan substitute. By a show of hands vote of 6 yeas-6 nays the Madigan substitute was not agreed to. Mr.Madigan requested a recorded vote and the substitute amendment was then adopted by a roll call vote of 12 yeas-6 nays. The vote follows:

Y E A S

1. Mr. Huckaby
2. Mr. Baldus
3. Mr. Bedell
4. Mr. Panetta
5. Mr. Madigan
6. Mr. Jeffords (proxy to Mr. Madigan)
7. Mr. Kelly (proxy to Mr. Madigan)
8. Mr. Hopkins (proxy to Mr. Madigan)
9. Mr. Jones (Tenn.)
10. Mr. Harkin
11. Mr. Brown (proxy to Mr. Jones) (Tenn.)
12. Mr. Richmond (proxy to Mr. Jones )(Tenn.)

N A Y S

1. Mr. Glickman
2. Mr. Hance
3. Mr. English
4. Mr. Daschle
5. Mr. Coleman
6. Mr. Marlenee

By a show of hands vote of 8 yeas-4 nays the English amendment, as amended by the Madigan substitute amendment was approved.

Mr. Huckaby offered the following amendment which would provide for three levels of coverage:

On page 10, section 7, add a new paragraph:

"(i) Three levels of coverage shall be offered: (1) 50 per centum of the recorded or appraised average yield; (2) 65 per centum of the recorded or appraised average yield; (3) 75 per centum of the recorded or appraised average yield."

Discussion occurred and by a show of hands vote of 5 yeas-5 nays the amendment was not agreed to. By a roll call vote of 16 yeas-2 nays the Huckaby amendment was then approved. The vote follows:

Wednesday, June 6, 1979
Conservation and Credit Subcommittee
Business Meeting
Federal Crop Insurance Act of 1979
H.R. 4119

YEAS

1. Mr. Huckaby
2. Mr. Glickman
3. Mr. Hance
4. Mr. Brown (proxy to Mr. Jones)(Tenn.)
5. Mr. Richmond (proxy to Mr. Jones)(Tenn.)
6. Mr. Bedell
7. Mr. English
8. Mr. Panetta
9. Mr. Daschle
10. Mr. Madigan
11. Mr. Jeffords (proxy to Mr. Madigan)
12. Mr. Kelly (proxy to Mr. Madigan)
13. Mr. Coleman (proxy to Mr. Madigan)
14. Mr. Hopkins (proxy to Mr. Madigan)
15. Mr. Harkin
16. Mr. Jones (Tenn.)

NAYS

1. Mr. Baldus
2. Mr. Marlenee

Mr. Hance offered the attached amendment to provide that persons participating in the Federal Crop Insurance program would not be eligible for disaster payments. Discussion occurred and by a show of hands vote of 3 yeas-7 nays the amendment was not agreed to.

Mr. Baldus moved to favorably report H.R. 4119, as amended, to the full Committee. Mr. English requested a recorded vote and the vote follows:

YEAS

1. Mr. Harkin
2. Mr. Huckaby
3. Mr. Brown (proxy to Mr. Jones)(Tenn.)
4. Mr. Richmond (proxy to Mr. Jones)(Tenn.)
5. Mr. Baldus
6. Mr. Panetta
7. Mr. Madigan
8. Mr. Jones (Tenn.)
9. Mr. Jeffords (proxy to Mr. Madigan)
10. Mr. Hopkins (proxy to Mr. Madigan)

NAYS

1. Mr. Hance
2. Mr. Bedell
3. Mr. English
4. Mr. Daschle
5. Mr. Coleman (proxy to Mr. Marlenee)
6. Mr. Marlenee
7. Mr. Glickman
8. Mr. Kelly (proxy to Mr. Madigan)

Wednesday, June 6, 1979
Conservation and Credit Subcommittee
Business Meeting
Federal Crop Insurance Act of 1979
H.R. 4119

Thus, by a roll call vote of 10 yeas-8 nays H.R. 4119, as amended, was ordered reported to the full Committee in the presence of a quorum.

During the proceedings recesses were taken at 2:55 p.m. and 4:25 p.m. to enable Members to respond to recorded votes on the House Floor. At 6:20 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

AMENDMENT OFFERED BY MR. HARKIN

Page 8, line 23, immediately after "State." insert the following:

"The Board may also require that the Corporation pay additional and/or graduated premium subsidy to further reduce the portion of the premium paid by the operators of small farms: Provided, That eligibility for classification ~~of~~ as a small farm shall be based on total liability of crops eligible for insurance at a limit determined by the Board."

AMENDMENT TO BE OFFERED BY MR. ENGLISH

In Section 7, line 13, after the comma, strike the remainder of the sentence and insert in lieu thereof the following:

"50 per centum of each producer's premium, as calculated by the Corporation on any coverage up to a maximum of 55 per centum of the recorded or appraised average yield, shall be paid by the Corporation, and 30 per centum of each producer's premium, as calculated by the Corporation on any coverage exceeding 55 per centum up to a maximum of 65 per centum of the recorded or appraised average yield, shall be paid by the Corporation."

AMENDMENT OFFERED BY MR. HANCE

Page 13, beginning on line 22, strike out the language beginning with the words "in any county" down through and including line 24 and insert in lieu thereof "in any year for which such person elects to participate in the Federal Crop Insurance Program."

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Thursday, June 7, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: 80% parity for dairy; land conveyance in Ky.

Bill Nos. H.R. 4167, and related bills; S. 41 and ~~related bills~~

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Foley | Mr. Whitley | Mr. Wampler |
| Mr. de la Garza | Mr. Coelho | Mr. Sebelius |
| Mr. Jones (Tenn.) | Mr. Daschle | Mr. Findley |
| Mr. Bowen | Mr. Hance | Mr. Madigan |
| Mr. Richmond | Mr. Anthony | Mr. Jeffords |
| Mr. Nolan | Mr. Stenholm | Mr. Kelly |
| Mr. Weaver | Mr. | Mr. Grassley |
| Mr. Baldus | Mr. | Mr. Hagedorn |
| Mr. Harkin | Mr. | Mr. Coleman |
| Mr. Bedell | Mr. | Mr. Marlenee |
| Mr. English | Mr. | Mr. |
| Mr. Fithian | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Skelton | Mr. | Mr. |
| Mr. Huckaby | Mr. | |
| Mr. Akaka | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Glenda Temple, Clerk
Bob Franks, Assistant Counsel
Al Zepp, Subcommittee Staff Consultant
George Dunsmore, Staff Assistant

Witnesses:

None

Statements Filed:

None

Thursday, June 7, 1979
Full Committee
Business Meeting
80% parity for dairy; land conveyance in Bell Co., Kentucky
H.R. 4167 and related bills; S. 41 and related bills

Action Taken:

-- By voice vote Kelly amendment to H.R. 4167 not agreed to.

-- Without objection Baldus motion to substitute H.R. 4167 for the bill approved by the Subcommittee (H.R. 80) approved.

-- H.R. 4167 ordered favorably reported to the House by a voice vote in the presence of a quorum.

-- By unanimous voice vote Wampler amendment to S. 41 agreed to.

-- By unanimous voice vote S. 41, amended, ordered favorably reported to the House in the presence of a quorum.

Chairman Foley called the meeting to order and recognized Mr. Baldus, Chairman of the Subcommittee on Dairy and Poultry for a report on the bill, H.R. 4167, to amend section 201 of the Agricultural Act of 1949, as amended,to extend until September 30, 1981, the requirement that the price of milk be supported at not less than 80 per centum of the parity price therefor. Following the report by Mr. Baldus, the Clerk was directed to call the roll to establish a quorum. The following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Baldus
4. Mr. Harkin
5. Mr. English
6. Mr. Huckaby
7. Mr. Akaka
8. Mr. Whitley
9. Mr. Coelho
10. Mr. Daschle
11. Mr. Hance
12. Mr. Stenholm
13. Mr. Wampler
14. Mr. Sebelius
15. Mr. Jeffords
16. Mr. Kelly
17. Mr. Coleman
18. Mr. Foley

Eighteen Members having reponded a one-third quorum was established pursuant to previous notice under Committee Rules.

Discussion occurred on the bill H.R. 4167. Mr. Kelly was recognized to offer an amendment (the Administration proposal) to the bill. The amendment would give the Secretary authority to continue or modify the support price for milk. A copy of the language is attached.

Thursday, June 7, 1979
Full Committee
Business Meeting
80% parity for dairy; land conveyance in Bell Co., Kentucky
H.R. 4167 and related bills; S. 41 and related bills

Discussion occurred on the Kelly amendment. Mr. Huckaby moved the previous question and by a voice vote the amendment was not agreed to.

Mr. Baldus moved to substitute H.R. 4167 for the bill approved by the Subcommittee (H.R. 80, as amended). There was no objection. Mr. Baldus moved to report H.R. 4167 to the House with the recommendation that it do pass. By a voice vote and in the presence of a quorum (22 Members present at the time the vote was taken) the motion was approved.

Acting Chairman de la Garza recognized Mr. Wampler to explain the provisions of S. 41, a bill to require the Secretary of Agriculture to convey any interest held by the United States in certain lands located in Bell County, Kentucky, to the Board of Education, Bell County, Kentucky, as reported by the Subcommittee on Department Investigations, Oversight, and Research. Discussion occurred on the legislation.

Mr. Wampler offered the attached amendment pertaining to mineral rights and discussion continued. By a unanimous voice vote the Wampler amendment was agreed to.

Mr. Wampler moved that S. 41, amended, be ordered reported to the House with the recommendation that it do pass. By a unanimous voice vote and in the presence of a quorum (22 Members present at the time the vote was taken) the motion was agreed to.

Staff was given permission to make any clerical or technical changes in the bill just passed, and Members were given three legislative days in which to submit any views for inclusion in the Committee reports.

At 11:30 a.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

Kelly Amendment

AMENDMENT TO H.R. 4167

On page 2, immediately after line 3, add a new subsection (c) as follows:

(c) Subsection (d) of such section is further amended by adding at the end thereof a new sentence as follows: "Notwithstanding any other provision of this Act, if thirty days before the beginning of the marketing year or thirty days before the beginning of each semiannual period after the beginning of each marketing year, the quantity of milk or the products of milk acquired by Commodity Credit Corporation during the previous 12 calendar months exceeds the quantity of the products of milk sold by Commodity Credit Corporation for unrestricted use during the same period by at least 350 million pounds of nonfat dry milk, or a quantity of butter and cheese, equivalent to at least 3.5 billion pounds of milk, the Secretary may continue in effect the then current support price for milk or modify the amount of any increase which might otherwise be required: Provided, That at the beginning of any marketing year the level of support for milk shall be not less than 75 per centum of the parity price therefor.".

AMENDMENT TO S. 41

Offered by Mr. Wampler

Add a new section at the end of the bill reading as follows:

Sec. 3. This conveyance in no way affects the undivided interest of the United States in coal, oil, gas, and other minerals (not outstanding or reserved in third parties) reserved in the deed by the United States to the State of Kentucky, dated April 15, 1954, and recorded in Bell County, Kentucky (Deed Book 159, page 550).

Technical amendment: page 2, line 2, change "120" to "159" and change "460" to "550".

TIM LEE CARTER
5TH DISTRICT, KENTUCKY

HOME ADDRESS:
TOMPKINSVILLE, KENTUCKY 42167

OFFICE ADDRESS:
2267 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515

# Congress of the United States
## House of Representatives
### Washington, D.C. 20515

MEMBER:
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
SUBCOMMITTEE ON HEALTH AND ENVIRONMENT
COMMITTEE ON SMALL BUSINESS
SUBCOMMITTEE ON ENERGY, ENVIRONMENT, SAFETY AND RESEARCH

June 5, 1979

The Honorable William C. Wampler
House of Representatives
Washington, D. C. 20515

Dear Bill:

Since our hearing of May 30, on H.R. 1573 and S. 41, I have received word from Mr. Ike Slusher, Superintendent of Bell County Schools, that the amendment proposed by the Department at the hearing would not prevent the school board from selling bonds for the planned construction at Kentucky Ridge Forest. He indicated that the school's attorney and the Kentucky Department of Education do not now object to this amendment pertaining to mineral rights.

I have also received word that Kentucky's Senators are now in favor of this amendment in order to remove any objections that the Administration might have to the measure.

I ask, therefore, that the Committee give consideration to the amendment proposed by the Department on May 30.

I deeply appreciate your help and the help of the Chairman in this effort to permit the Bell County Board of Education to begin as soon as possible the construction of their new school.

With my thanks and good wishes, I am

Sincerely yours,

Tim Lee Carter

Tim Lee Carter

TLC:v

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, June 12, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Food Stamps

Bill Nos. H.R. 4318; H.R. 4303

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee met in open Session at 9:00 o'clock, in Room 1302.

The following Members were present:

| | | Members Also Present: |
|---|---|---|
| Mr. Richmond | Mr. | Mr. Sebelius |
| Mr. Panetta | Mr. | Mr. Stenholm |
| Mr. Glickman | Mr. | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. Symms | Mr. | Mr. |
| Mr. Grassley | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
John Kramer, Special Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Mary Jarratt, Staff Assistant
Anita Brown, Staff Assistant

Witnesses:

1. Hon. Bob Bergland, Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C.

   Acc. by: Ms. Carol T. Foreman, Assistant Secretary for Food and Consumer Services, USDA.

   Mr. Bob Greenstein, Acting Administrator, Food and Nutrition Service, USDA.

   Mr. David de Ferranti, Director, Office of Policy Planning and Evaluation, Food and Nutrition Service, USDA.

2. Dr. Graciela Olivarez, Director, Community Services Administration

Statements Filed:

None

Tuesday, June 12, 1979
Domestic Marketing, Consumer
Relations, and Nutrition Subcommittee
Public Hearing
Food Stamps
H.R. 4318; H.R. 4303

Chairman Richmond called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony concerning food stamp legislation. Following presentation of their statements, the witnesses were questioned by the members of the Subcommittee.

Without objection, Mr. Symms and Mrs. Heckler were given permission to submit questions in writing since the meeting conflicted with the Republican Conference.

The Departmental representatives were requested to supply the Subcommittee with certain statistical information and there was no objection.

At 11:05 a.m. the meeting was adjourned, to reconvene on Wednesday, June 13, at 9:30 a.m. to hear additional witnesses on the same issue.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, June 13, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Food Stamps

Bill Nos. H.R. 4303 and related bills

The Domestic Marketing, Consumer Relations, and Nutritio(Sub) Committee met in open Session at 9:30 o'clock, in Room 1302.

The following Members were present:

| | | |
|---|---|---|
| Mr. Richmond | Mr. | Mr. Coleman |
| Mr. Panetta | Mr. | Mr. Skelton |
| Mr. Glickman | Mr. | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. Symms | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |

Members Also Present:

Staff present:

Fowler C. West, Staff Director
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Anita Brown, Staff Assistant
Mary Jarratt, Staff Assistant

Witnesses:

1. Hon. Edward J. Stack, Member of Congress from Florida.
2. Hon. Henry B. Gonzalez, Member of Congress from Texas.
3. Hon. William L. Dickinson, Member of Congress from Alabama
   and
   Hon. Peter A. Peyser, Member of Congress from New York.
4. Hon. Bill Chappell, Jr., Member of Congress from Florida.
5. Hon. Jim Weaver, Member of Congress from Oregon.
6. hon. Earl D. Hutto, Member of Congress from Florida.

Statements Filed:

1. Hon. Claude Pepper, Member of Congress from Florida.
2. Hon. Barbara A. Mikulski, Member of Congress from Maryland.

Wednesday, June 13, 1979
Domestic Marketing, Consumer
Relations, and Nutrition Subcommittee
Public Hearing
Food Stamps
H.R. 4303 and related bills

Chairman Richmond called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared statements on legislation relating to food stamp program eligibility and other related issues. Following presentation of their testimony, the witnesses were questioned by the Members of the Subcommittee.

At 11:25 a.m. the meeting was adjourned, to reconvene at 9:30 a.m. on Thursday, June 14, to hear additional Congressional witnesses.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, June 13, 1979

(Sub) Committee on Department Investigations, Oversight, and Research

Meeting: Public Hearing

Subject: To Provide for Establishment of a National Agricultural Cost of Production Board

Bill Nos. H.R. 1050, and related bills

The Department Investigations, Oversight, and Research (Sub) Committee met in Open Session at 2:05 p.m. o'clock, in Room 1302.

The following Members were present:

| | | | | Also Present | |
|---|---|---|---|---|---|
| Mr. | de la Garza, Chmn. | Mr. | | Mr. | Rose |
| Mr. | Glickman | Mr. | | Mr. | Sebelius |
| Mr. | Brown, Calif. | Mr. | | Mr. | Stenholm |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |
| Mr. | | Mr. | | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Bernard Brenner, Press Assistant
James Culver, Staff Assistant
Claude Freeman, Staff Assistant
Francie Monaghan, Staff Assistant
Steve McCoy, Staff Assistant
Eleanor Walsh, Staff Assistant

Witnesses:

1. Honorable Keith Sebelius, Member of Congress from Kansas

2. Mr. Kenneth R. Farrell, Administrator, Economics, Statistics and Cooperative Service, U.S. Department of Agriculture

   Acc. by: Mr. Preston E. LaFerney, Acting Branch Chief, Crops Branch, ESCS

   Mr. Milton H. Ericksen, Agricultural Economist, Crops Branch ESCS

3. Mr. Dale Lyons, President, Kansas Farmers Union, McPherson, Kansas

4. Mr. J. M. Cranor, Executive Director, Kansas Grain and Feed Dealers Association, Hutchinson, Kansas

5. Mr. Gerald McCathern, American Agriculture Movement of Texas, Inc., Hereford, Texas

6. Mr. Monty Hicks, Burlingame, Kansas

Statements Filed:

1. Honorable Robert Morgan, Senator from North Carolina
2. Honorable Dan Glickman, Member of Congress from Kansas
3. Honorable Richardson Preyer, Member of Congress from North Carolina
4. National Farmers Union, Washington, D. C.
5. Mr. Richard W. Blake, Executive Vice President, American Sugarbeet Growers Association
6. Mr. Elbert Harp, Executive Director, Grain Sorghum Producers Association
7. Letter from Mr. John M. Stackhouse, Director, Department of Agriculture State of Ohio
8. Mr. William Turrentine, Garden City, Kansas

Wednesday, June 13, 1979
Subcommittee on Department Investigations,
Oversight, and Research
Public Hearing
National Agricultural Cost of
Production Board
H.R. 1050, and related bills

Chairman de la Garza called the meeting to order and after presentation of an opening statement by the Chairman and Mr. Glickman, the witnesses listed on page 2 of these minutes were recognized to present their testimony and answer questions from Members of the Subcommittee as appearing in the record.

Mr. Rose apologized for the absence of Senator Morgan and asked that his full statement be inserted in the record. Mr. Lyons was introduced by Mr. Glickman.

During the meeting, recesses were held from 2:15 to 2:35 p.m. and from 3:30 to 3:50 p.m.

Chairman de la Garza adjourned the meeting at 4:10 p.m. to reconvene subject to the call of the chair.

Eleanor Walsh

Eleanor Walsh

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, June 14, 1979

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing

Subject: To Amend the Water Resources Planning Act, as amended

Bill Nos. H.R. 2610

The Conservation and Credit (Sub) Committee

met in Open Session at 10:12 a.m. o'clock, in Room 1301

The following Members were present:

| | | |
|---|---|---|
| Mr. Jones, Tenn., Chmn | Mr. Madigan | Mr. |
| Mr. Glickman | Mr. Hopkins | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. Baldus | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Robert M. Bor, Chief Counsel
Bob Franks, Associate Counsel
Gary Norton, Assistant Counsel
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant
Jim Johnson, Staff Assistant
Tom Adams, Staff Assistant
Nick Ashmore Staff Assistant
Peggy Thompson, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Bernard Brenner, Press Assistant
Frank Winston, Staff Assistant
Eleanor Walsh, Staff Assistant

Witnesses:

1. Hon. Guy Martin, Assistant Secretary of the Interior

   Acc. By: Dr. Leo M. Eisel, Director, U.S. Water Resources Council

2. Mr. David G. Unger, Deputy Assistant Secretary of Agriculture for Conservation, Research and Education

   Acc. By: Mr. Joseph W. Haas, Assistant Administrator for Water Resources Soil Conservation Service, USDA

3. Mr. Neil Sampson, Executive Vice President, National Association of Conservation Districts, Washington, D. C.

Statements Filed:

N O N E

Thursday, June 14, 1979
Subcommittee on Conservation and Credit
Public Hearing
To amend the Water Resources
Planning Act, as amended
H.R. 2610

Chairman Jones called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on the Water Resources Planning Act. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

Mr. Bedell introduced two young Future Farmers of America from his district in Iowa.

During the meeting, one recess was held from 10:45 to 11:00 a.m. so that Members could record their votes on the Floor of the House.

At 12:35 p.m. the meeting was adjourned to reconvene at 10:00 a.m. on Tuesday, June 19, when markup will take place on this bill.

Eleanor Walsh

Eleanor Walsh

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Thursday, June 14, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Food Stamps

Bill Nos. H.R. 4303 and related bills

The Domestic Marketing, Consumer Relations and Nutrition (Sub) Committee met in open Session at 9:30 o'clock, in Room 1302

The following Members were present:

| | | |
|---|---|---|
| Mr. Richmond | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Akaka | Mr. | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. Grassley | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
John Kramer, Special Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Anita Brown, Staff Assistant
Mary Jarratt, Staff Assistant

Witnesses:

1. Hon. John H. Rousselot, Member of Congress from California.
2. Hon. James M. Jeffords, Member of Congress from Vermont.
3. Hon. Bruce F. Vento, Member of Congress from Minnesota.
4. Hon. Richard L. Ottinger, Member of Congress from New York.
5. Hon. Harold E. Ford, Member of Congress from Tennessee.
6. Hon. Robert S. Walker, Member of Congress from Pennsylvania.
7. Hon. Bill Nelson, Member of Congress from Florida.
8. Hon. William F. Clinger, Jr., Member of Congress from Pennsylvania.

Statements Filed:

1. Hon. Ronald M. Mottl, Member of Congress from Ohio.

Thursday, June 14, 1979
Domestic Marketing, Consumer
Relations, and Nutrition Subcommittee
Food Stamps
H.R. 4303 and related bills

Chairman Richmond called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on legislation relating to food stamp program eligibility and other related issues. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

At 11:45 a.m. the meeting was adjourned to reconvene at 9:30 a.m. on Tuesday, June 19, to receive testimony from public witnesses.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Monday, June 18, 1979

(Sub) Committee on Domestic Marketing, Consumer Relations and Nutrition

Meeting: Public Hearing

Subject: To consider food stamp eligibility and the effects of the Food Stamp Act Amendments of 1977 on program participation.

Bill Nos. H.R. 4303 and related bills

The Domestic Marketing, Consumer Relations and Nutrition (Sub) Committee met in open Session at 9:00 a.m. o'clock, in ~~Room~~ Miami, Florida

The following Members were present:

| | | ALSO PRESENT |
|---|---|---|
| Mr. Richmond | Mr. | Mr. Kelly |
| Mr. | Mr. | Mr. Pepper |
| Mr. | Mr. | Mr. Stack |
| Mr. | Mr. | Mr. Lehman |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |

Staff present:

Joe Crapa, Subcommittee Staff Director
Anita Brown, Staff Assistant
Ann Cole, Staff Assistant

Witnesses:

1. Mr. John P. Bond, III, Assistant City Manager, City of Miami, Florida.
2. Hon. Ruth Shack, Commissioner, Dade County, Miami, representing Dade County.
3. Mrs. Bess R. Kahn, representing Multi Model N.W. Senior Citizen Services.
4. Mr. Merwyn E. Levin, Assistant Principal, D.C.P.S.
5. Mr. Morris Schneider, Fort Lauderdale.
6. Ms. Adele Olliff, Senior Citizen, Miami.
7. Ms. Eufaula Frazier, Director, Tenant Education Association of Dade County, Miami.
8. Ms. Merline Matthews, President, Tenant Education Association of Dade County, Miami.
9. Mr. David H. Pingree, Secretary, Florida Department of Health and Rehabilitative Services, Tallahassee, Florida.
10. Rev. Donald F. Bautz, Program Coordinator, Florida Coalition Against Hunger.
11. Mr. Kirby D. Chilton.
12. Ms. Lillian C. Delaney, Retired Senior Citizen, Miami.
13. Mr. Nikola Topalovich, Carol City.
14. Ms. Annette Eisenberg, Coordinator, Little River Commerce Association.
15. Ms. Annie L. Love, Chairperson, Household Technicians of Florida, Inc.
16. Ms. Rosalind A. Logan, Retired Senior Citizen, Miami.
17. Major Eugene Slustter, Commanding Officer, The Salvation Army.

Statements Filed:

Statement of Mrs. Mary A. Smith.
Statement of Mrs. Margarette Curtis.

Monday, June 18, 1979
Subcommittee on Domestic Marketing,
Consumer Relations and Nutrition
Public Hearing
Food Stamps

Witnesses Continued:

18. Mr. Leon D. Taylor, Food Stamp Specialist, Department of Health and Rehabilitative Services, Tallahassee, Florida.

19. Mr. Ronald T. Bernstein, Supervisor, Food Stamp Office, Department of Health and Rehabilitative Services, District XI, Miami, Florida.

20. Ms. Marjorie Greenberg, Family Service Aide, Northeast Food Stamp Office, Department of Health and Rehabilitative Services, Miami, Florida.

21. Ms. Anita L. McGruder, Coordinator, Community Food and Nutrition Program, Florida Farmworkers Council, Fort Lauderdale, Florida.

Chairman Richmond called the meeting to order at 9:00 a.m. The witnesses listed on pages 2 and 3 of these minutes were recognized for their prepared testimony on legislation relating to food stamp program eligibility and other related issues.

Chairman Richmond adjourned the meeting at 11:45 a.m., to reconvene subject to the call of the Chair.

Anita Brown

Anita Brown

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U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Tuesday, June 19, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Food Stamps

Bill Nos. H.R. 4303 and related bills

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee met in Open Session at 9:30 a.m o'clock, in Room 1302

The following Members were present:

| | | |
|---|---|---|
| Mr. Richmond | Mrs. Heckler | Mr. |
| Mr. Panetta | Mr. Grassley | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Joe Crapa, Subcommittee Staff Consultant
Anita Brown, Staff Assistant
Bernard Brenner, Press Assistant
Glenda Knight, Staff Assistant
Ann Cole, Staff Assistant
Eleanor Walsh, Staff Assistant
Fred Appel, Staff Assistant
John Kramer, Special Counsel

Witnesses:

1. Ms. Audrey Denecke, Food Justice Programs, Chicago, Illinois

2. Ms. Beatrice Hamm, Voice of the Poor, Chicago, Illinois

3. Mr. William R. Hutton, National Council of Senior Citizens, Washington, D. C.

4. Mr. James Hacking, National Retired Teachers Association/ American Association of Retired Persons, Washington, D.C.

5. Ms. Thelma Rutherford, Board Member, Food Research and Action Council, Washington, D.C., and member, Gray Panthers

   Acc. by: Mr. Jeff Kirsch, Deputy Director, FRAC

6. Mr. Forest Campbell, Guilford County, North Carolina, Commissioner for National Association of Counties, Washington, D.C.

   Acc. by: Mr. Ronald Gibbs, Associate Director for Human Resources, National Association of Counties

7. Panel: Minnesota Food Action Coalition, St. Paul, Minnesota

   Ms. Jan O'Farrell
   Ms. Joyce Watson
   Ms. Gloria Swanson

Statements Filed:

1. Memorandum to Mr. Forest Campbell from the Guilford County Social Services Department

Tuesday, June 19, 1979
Domestic Marketing, Consumer
Relations, and Nutrition
Subcommittee
Public Hearing
Food Stamps
H.R. 4303 and related bills

Chairman Richmond called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared statements on legislation relating to food stamp program eligibility and other related issues. Following presentation of their testimony, the witnesses were questioned by the Members of the Subcommittee.

Acting Chairman Harkin adjourned the meeting at 11:35 a.m., to reconvene at 10:00 a.m. on Wednesday, June 20, to hear additional witnesses.

Eleanor Walsh

Eleanor Walsh

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, June 19, 1979

(Sub) Committee Conservation and Credit

Meeting: Business

Subject: Water Resources Planning Act Amendments

Bill Nos. H.R. 2610

The Conservation and Credit (Sub) Committee met in open Session at 10:00 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. Jones (Tenn.) | Mr. | Mr. |
| Mr. Harkin | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Hance | Mr. | Mr. |
| Mr. Baldus | Mr. | Mr. |
| Mr. Bedell | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Madigan | Mr. | Mr. |
| Mr. Jeffords | Mr. | Mr. |
| Mr. Coleman | Mr. | Mr. |
| Mr. Marlenee | Mr. | Mr. |
| Mr. Hopkins | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to Member's questions:

1. Mr. David G. Unger, Deputy Assistant Secretary, Conservation, Research, and Education, USDA.

Statements Filed:

None

Tuesday, June 19, 1979
Conservation and Credit Subcommittee
Business Meeting
Water Resources Planning Act
H.R. 2610

Action Taken

-- By show of hands vote 9 yeas-0 nays Madigan amendment agreed to.

-- By voice vote H.R. 2610, as amended, ordered reported to the full Committee with the recommendation that it do pass.

Chairman Jones (Tenn.) called the meeting to order for the purpose of considering H.R. 2610, a bill to amend the Water Resources Planning Act, which was previously reported by the Committee on Interior and Insular Affairs and referred to the Committee on Agriculture and Committee on Public Works and Transportation.

Discussion occurred on the legislation. Mr. Madigan moved to amend the bill by exempting the small watershed projects of the Soil Conservation Service from the principles, standards and procedures that are established by the Water Resources Council and the requirement that the projects be subject to the review and recommendations of the Council. A copy of the amendment is attached.

Discussion occurred on the amendment and by a show of hands vote of 9 yeas-0 nays the Madigan amendment was agreed to.

Mr. Panetta reserved the right to offer amendments in the full Committee pertaining to the makeup and authority of the Water Resources Council. Mr. Jones (Tenn.) made the same request.

Mr. Baldus expressed concern that there is not a national water policy and staff was directed by Chairman Jones to look into the matter and have possible amendments ready for full Committee consideration.

Mr. Glickman moved that H.R. 2610, as amended, be reported to the full Committee with the recommendation that it be approved. By a voice vote the motion was agreed to.

At 11:10 a.m. the meeting was adjourned, to reconvene at 10:00 a.m. on Wednesday, June 20, for a joint meeting with the Subcommittee on Department Investigations, Oversight, and Research on H.R. 20, aquaculture legislation.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, June 20, 1979

(Sub) Committee Domestic Marketing, Consumer Relations and Nutrition

Meeting: Public Hearing and Business Meeting

Subject: Food Stamps

Bill Nos. H.R. 4303

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee met in open Session at 9:30 o'clock, in Room 1302.

The following Members were present:

| | | | |
|---|---|---|---|
| Mr. | Richmond | Mr. | Mr. |
| Mr. | Panetta | Mr. | Mr. |
| Mr. | Nolan | Mr. | Mr. |
| Mr. | Glickman | Mr. | Mr. |
| Mr. | Akaka | Mr. | Mr. |
| Mr. | Harkin | Mr. | Mr. |
| Mr. | Symms | Mr. | Mr. |
| Mr. | Grassley | Mr. | Mr. |
| Mr. | | Mr. | Mr. |
| Mr. | | Mr. | Mr. |
| Mr. | | Mr. | Mr. |
| Mr. | | Mr. | Mr. |
| Mr. | | Mr. | Mr. |
| Mr. | | Mr. | Mr. |
| Mr. | | Mr. | |
| Mr. | | Mr. | |

Staff present:

Fowler, C. West, Staff Director
Bob Bor, Chief Counsel
John Kramer, Special Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Anita Brown, Staff Assistant
Mary Jarratt, Staff Assistant

Witnesses:

1. Hon. Michael E. Lowry, Member of Congress from Washington.

2. Ms. Marie Crocker, Country Doctor Community Health Center, Seattle, Washington.

3. Ms. Anna Linebarger, food stamp caseworker, Baltimore, Maryland

   Acc. by: Ms. Kathy Lacey, Assistant Chief of Food Stamps, Baltimore City Department of Social Services.

   Ms. Kathy Wilks, food stamp worker, Clifton District.

During the markup session the following represented the United States Department of Agriculture and responded to Member's questions on the food stamp program:

1. Mr. Bob Greenstein, Acting Director, Food and Nutrition Service, United States Department of Agriculture.

Statements Filed:

None

Wednesday, June 20, 1979
Domestic Marketing, Consumer Relations, and
Nutrition Subcommittee
Public Hearing and Business Meeting
Food Stamps
H.R. 4303

Action Taken:

-- By show of hands vote of 4 yeas-4 nays Richmond substitute amendment not agreed to.

-- By unanimous voice vote Glickman amendment adopted.

-- By unanimous voice vote Harkin amendment agreed to.

-- By show of hands vote 6 yeas-1 nay Chairman's ruling on point of order on germaneness of Grassley amendment sustained.

-- By unanimous voice vote Nolan amendment agreed to.

-- By roll call vote of 9 yeas-0 nays H.R. 4303, as amended, ordered favorably reported to the full Committee.

Chairman Richmond called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on H.R. 4303, a bill to amend the Food Stamp Act of 1977 to eliminate certain restrictions on excess shelter expense deductions with respect to households which are composed entirely of persons who are age sixty or older or who are recipients of benefits under title XVI of the Social Security Act and to allow deductions for certain medical and dental expenses in the computation of incomes for such households. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee. At 10:00 a.m. the Committee stood in recess.

At 11:00 a.m. the meeting was reconvened for the purpose of marking up the pending legislation. Counsel Kramer was recognized to explain the provisions of the bill.

Mr. Richmond offered the attached substitute amendment which would expand the coverage of H.R. 4303 to all people by allowing anyone with severe shelter problems to itemize their shelter deductions over and above the standard deduction and anyone with high medical expenses to itemize their medical expenses.

Discussion occurred on the Richmond amendment. Mr. Symms moved the previous question on the amendment and by a voice vote the previous question was ordered. By a show of hands vote of 4 yeas-4 nays the Richmond substitute amendment was not agreed to.

Wednesday, June 20, 1979
Domestic Marketing, Consumer Relations, and
Nutrition Subcommittee
Public Hearing and Business Meeting
Food Stamps
H.R. 4303

Discussion continued on the legislation. Mr. Glickman moved to amend the bill to extend coverage to households containing a member who is over 60 years of age. By a unanimous voice vote the amendment was agreed to.

Mr. Harkin moved to amend the bill by lowering the deductible for medical expenses from $70 to $35. Discussion occurred and by a unanimous voice vote the Harkin amendment was agreed to.

Mr. Grassley offered the attached amendment which would do away with the 90-day penalty for fraud for food stamps by which people can be cut off the rolls, as a penalty, and increases that penalty to a flexible penalty from zero to 24 months. Discussion occurred on the amendment. Mr. Nolan made a point of order that the Grassley amendment was not germane to the bill. Chairman Richmond concurred, and Mr. Grassley appealed the ruling of the Chair. By a show of hands vote of 6 yeas-1 nay the point of order was sustained.

Mr. Nolan moved to amend the bill to provide that the regulations to implement the provisions of the legislation should be in place in all States no later than January 1, 1980. Discussion occurred on the Nolan amendment and by a unanimous voice vote the amendment was approved.

Mr. Grassley moved that H.R. 4303, as amended, be ordered favorably reported to the full Committee. He also requested a recorded vote and the Clerk was directed to call the roll. The vote follows:

YEAS

1. Mr. Panetta
2. Mr. Nolan
3. Mr. Glickman
4. Mr. Akaka
5. Mr. Harkin
6. Mr. Symms (proxy to Mr. Grassley)
7. Mrs. Heckler (proxy to Mr. Grassley)
8. Mr. Grassley
9. Mr. Richmond

Thus, by a roll call vote of 9 yeas-0 nays H.R. 4303, as amended, was ordered favorably reported to the full Committee in the presence of a quorum.

At 12:10 p.m. the meeting was adjourned to reconvene, subject to the call of the Chair.

Glenda Temple

Purpose: To aid those with extraordinary medical, shelter, utility expenses.

AMENDMENT IN THE NATURE OF A SUBSTITUTE
BY REP. RICHMOND
TO
H.R. 4303

Section 5(e) of the Food Stamp Act of 1977 is amended by--

(1) in clause (1) deleting "be the same as that for the excess shelter expense deduction contained in clause (2) of this subsection," and inserting in lieu thereof shall "not exceed $90 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, Puerto Rico, and the Virgin Islands of the United States, the amounts determined by the Secretary for the maximum dependent care deduction in those areas as of July 1, 1979, adjusted annually (commencing July 1, 1980) to the nearest $5 increment to reflect changes in the Consumer Price Index for items other than food published by the Bureau of Labor Statistics of the Department of Labor for the twelve-month period ending the preceding March 31";

(2) in clause (2) deleting everything after "have been allowed", and,

(3) in clause (3) deleting everything after "(3)" and inserting in lieu thereof:

"(1) an excess medical expense deduction for that portion of the actual cost of allowable medical expenses, exclusive of special diets, that exceed $20 a month, which shall, starting on January 1, 1980, be adjusted every July 1 and January 1 to the nearest $5 to reflect changes in the Consumer Price Index

published by the Bureau of Labor Statistics of the Department of Labor for items other than food for the six months ending the preceding March 31 and September 30, respectively, which 'allowable medical expenses' shall include payments made for (1) medical and dental care, (2) hospitalization or nursing care (including hospitalization or nursing care of an individual who was a household member immediately prior to entering a hospital or nursing home), (3) prescription drugs (including insulin) and over-the-counter medication when prescribed by a certified medical practitioner, (4) health and hospitalization policy payments (excluding costs of health and accident or income maintenance policies), (5) medicare payments, (6) costs of dentures, hearing aids, and prosthetics (including costs of securing and maintaining a seeing eye dog), (7) eye glasses prescribed by a physician skilled in eye disease or by an optometrist, (8) reasonable costs of transportation necessary to secure medical treatment or services, and (9) costs of maintaining an attendant, homemaker, home health aide, housekeeper, or child care services due to age, infirmity, or illness."

AMENDMENT TO H.R. 4303

Offered by Mr. Grassley

Add at the end of the bill the following new section:

Sec. 2. (a) Section 6(b) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)) is amended--

(1) in the first sentence by striking out ``three months'' and inserting in lieu thereof the following: ``a period of not more than twenty-four months, as determined by the State agency acting under such regulations as the Secretary may issue,'';

(2) by inserting after the first sentence the following new sentence: ``In addition, the State agency may suspend the eligibility to participate in the food stamp program of the household of which the individual was a member at the time the individual carried out the activity resulting in the administrative or judicial finding for a period of not more than twenty-four months, as determined by the State agency acting under such regulations as the Secretary may issue, after the administrative or judicial finding if the State agency, acting under such regulations as the Secretary may issue, determines that the other members of such household were involved in planning, carrying out, or concealing such activity."; and

(3) in the last sentence by inserting after ``the finding of fraud'' the following: ``, or in the case of the suspension of eligibility of a household the determination that any member of the household was involved in planning, carrying out, or concealing the fraud,''.

(b)(1) Section 16(a) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)) is amended by adding at the end thereof the following new sentence: ``The Secretary shall pay each State agency an amount equal to 50 per centum of all funds recovered by such State agency through State food stamp program investigations and prosecutions.''.

(2) The amendment made by paragraph (1) of this subsection shall become effective October 1, 1979.

Amend the title so as to read: "A Bill to amend the Food Stamp Act of 1977 to eliminate certain restrictions on excess shelter expense deductions with respect to households which are composed entirely of persons who are age sixty or older or who are recipients of benefits under title XVI of the Social Security Act, to allow deductions for certain medical and dental expenses in the computation of incomes for such households, to

authorize State agencies to suspend individuals and households for up to two years for fraudulently obtaining food stamps, and to authorize the Secretary to pay State agencies 50 percent of all funds recovered by such agencies through program investigations and prosecutions.

EXPLANATION

Subsection (a) of the new section to be added by my amendment provides that State agencies be authorized to suspend individual participants and households up to two years. Current law provides for a mandatory suspension of 90 days for individuals where a State agency finds that they obtained benefits fraudulently. The General Accounting Office has recommended that this amendment be made to allow State administrators some discretion and enough flexibility to make exceptions and adjustments in unusual cases--to issue warnings of suspension in special cases where this might seem more appropriate than suspension and longer suspensions where the situation warrants it.

Subsection (b) of the new section would require the Secretary of Agriculture to pay each State agency responsible for food stamp program investigations and prosecutions 50 percent of all funds recovered. GAO with the concurrence of the Department of Justice has recommended this change as a better financial incentive for States and local projects to devote more effort to identifying and recovering overissuances and punishing recipient fraud.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Wednesday, June 20, 1979

Joint
(Sub) Committees on Conservation and Credit, and Department Investigations, Oversight, and Research

Meeting: Public Hearing

Subject: National Aquaculture Act of 1979

Bill Nos. H.R. 20

The Joint (Sub) Committee

met in Open Session at 10:07 a.m o'clock, in Room 1301 LHOB

The following Members were present:

| Conservation and Credit | Department Investigations | |
|---|---|---|
| Mr. | Mr. | Mr. |
| Mr. Jones, Tenn., Chrm | Mr. de la Garza, Chrm | Mr. |
| Mr. Baldus | Mr. Wampler | Mr. |
| Mr. Daschle | Mr. | Mr. |
| Mr. Marlenee | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

John Hogan, Counsel
Tony Imhof, Associate Counsel
Bob Franks, Assistant Counsel
Bob Cashdollar, Subcommittee Staff Consultant
Bert Pena, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant
Jerry Jorgensen, Staff Assistant
Tom Adams, Staff Assistant
Peggy Pecore, Staff Assistant

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Witnesses:

1. Dr. M. Rupert Cutler, Assistant Secretary for Conservation, Research and Education, U.S. Department of Agriculture, accompanied by:
   Mr. Bille Hougart, Aquaculture Coordinator, and Aquaculture Program Manager, SEA, USDA
   Mr. Jessie Joyner, Deputy Director, Emergency Loans, FmHA, USDA
   Mr. George Vohs, Federal Crop Insurance Coporations, USDA

2. Mr. Lee R. Brobst, Chief of Staff to the Senior Deputy Governor, Farm Credit Administration

3. Dr. Robert Cook, Deputy Director, Fish and Wildlife Service, U.S. Department of the Interior

4. Dr. David Wallace, Director, Office of International Fisheries Affairs, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, accompanied by:
   Mr. Robert Wildman, Associate Director, National Sea Grant Program, Department of Commerce
   Mr. Ronald Steinberg, General Counsel, NOAA, Department of Commerce

5. Dr. Wayne Shall, Head, Department of Fisheries and Allied Aquacultures, Auburn University, Auburn, Alabama, and Director, International Center for Aquaculture

6. Dr. Wallace Clark, Institute of Marine Resources, University of California, Davis, California

Statements Filed:

1. Dr. Cutler (1)List and amounts of loans Farmers Home Administration has made for aquaculture, and (2) description of background of Mr. Bille Hougart

2. Dr. Cook. List of Fish and Wildlife Service laboratories engaged in fisheries research.

Wednesday, June 20, 1979
Subcommittee on Conservation and Credit,
and Department Investigations, Oversight
and Research
Public Hearing
National Aquaculture Act of 1979

Chairman de la Garza called the meeting to order and recognized the witness in the order listed on page two for their prepared testimony. Afterward, the witnesses were called to the table en bloc to answer questions from Members of the Subcommittees.

During the questioning, Dr. Culter agreed to furnish suggested amendments by the Department of Agriculture to H.R. 20.

Chairman Jones adjourned the meeting at 11:45 a.m. to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Thursday, June 21, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: Food Stamps

Bill Nos. H.R. 4303

The Full ~~(Sub)~~ Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

| | | | | | |
|---|---|---|---|---|---|
| Mr. | de la Garza | Mr. | Hance | Mr. | Wampler |
| Mr. | Jones (Tenn.) | Mr. | Anthony | Mr. | Sebelius |
| Mr. | Richmond | Mr. | Stenholm | Mr. | Symms |
| Mr. | Nolan | Mr. | | Mr. | Madigan |
| Mr. | Weaver | Mr. | | Mrs. | Heckler |
| Mr. | Baldus | Mr. | | Mr. | Jeffords |
| Mr. | Harkin | Mr. | | Mr. | Kelly |
| Mr. | Bedell | Mr. | | Mr. | Grassley |
| Mr. | English | Mr. | | Mr. | Hagedorn |
| Mr. | Panetta | Mr. | | Mr. | Coleman |
| Mr. | Skelton | Mr. | | Mr. | Marlenee |
| Mr. | Huckaby | Mr. | | Mr. | Hopkins |
| Mr. | Glickman | Mr. | | Mr. | |
| Mr. | Akaka | Mr. | | Mr. | |
| Mr. | Coelho | Mr. | | | |
| Mr. | Daschle | Mr. | | | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Kramer, Special Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Mary Jarratt, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to Member's questions concerning the food stamp program:

1. Mr. Bob Greenstein, Acting Director, Food and Nutrition Service, USDA.

Statements Filed:

None

Thursday, June 21, 1979
Full Committee
Business Meeting
Food Stamps
H.R. 4303

Action Taken:

-- Without objection two-day notice rule waived.

-- By show of hands vote of 4 yeas-10 nays Weaver amendment not agreed to.

-- By show of hands vote of 4 yeas-13 nays Kelly amendment no. 1 not approved.

-- By show of hands vote of 5 yeas-13 nays Richmond substitute amendment to Kelly amendment no. 2 not agreed to.

-- By show of hands vote of 7 yeas-11 nays Kelly amendment no. 2 not approved.

-- By show of hands vote of 3 yeas-13 nays Kelly amendment no. 3 not adopted.

-- By roll call vote of 38 yeas-1 nay H.R. 4303, as amended, ordered reported to the House in the presence of a quorum.

Acting Chairman de la Garza called the meeting to order for the consideration of H.R. 4303, which was reported by the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition on June 20. Without objection H.R. 4303 was placed before the Committee and the two-day notice rule was waived.

Mr. Richmond, Chairman of the Subcommittee, was recognized to explain the provisions of the bill as reported by the Subcommittee (copy attached). Discussion occurred.

Mr. Weaver offered the attached amendment and began explaining it. Mr. Glickman made a point of order that the amendment was not germane to the bill in that it dealt with benefit levels rather than medical or shelter deductions. Chairman de la Garza ruled that the point of order was not timely and Mr. Weaver continued explaining the provisions of his amendment.

Discussion occurred and by a show of hands vote of 4 yeas-10 nays the Weaver amendment was not agreed to.

Mr. Kelly offered the following amendment which had previously been adopted by the Committee as an amendment to H.R. 4057 and then later reconsidered. The amendment provided medical and dental deductions to everyone, and reduced the category from $35 to $10:

> Sec. 3. Section 5(e) of the Food Stamp Act of 1977 is amended by inserting the following new sentence: "Any individual is entitled to claim a deduction from his household income, above the standard deduction, for his medical and dental expenses, to the extent such expenses exceed $10 a month."

Discussion occurred on the amendment and by a show of hands vote of 4 yeas-13 nays the amendment was not agreed to.

Mr. Kelly offered the same amendment except that it was made available only to the elderly, as follows:

> Sec. 3. Section 5(e) of the Food Stamp Act of 1977 is amended by inserting the following new sentence: "Any individual aged 60 or over is entitled to claim a deduction from his household income, above the standard deduction, for his medical and dental expenses, to the extent such expenses exceed $10 a month."

Discussion occurred and Mr. Richmond offered a substitute amendment to strike on page 2, line 16 "$35" and insert in lieu thereof "$10". Discussion continued.

By a show of hands vote of 5 yeas-13 nays the Richmond substitute amendment was not agreed to. By a show of hands vote of 7 yeas-11 nays the Kelly amendment was not approved.

Mr. Kelly offered the attached amendment which restores the language as it existed in 1977 prior to amendment. Discussion occurred and by a show of hands vote of 3 yeas-13 nays the amendment was not agreed to.

Mr. Richmond moved that H.R. 4303, as amended, be ordered reported to the House with the recommendation that it do pass. By a voice vote the motion was agreed to. Mr. Huckaby requested a recorded vote and 10 Members voted to sustain the request. The vote follows:

Thursday, June 21, 1979
Full Committee
Business Meeting
Food Stamps
H.R. 4303

YEAS

1. Mr. de la Garza
2. Mr. Richmond
3. Mr. Nolan
4. Mr. Baldus
5. Mr. Bedell
6. Mr. Panetta
7. Mr. Huckaby
8. Mr. Glickman
9. Mr. Akaka
10. Mr. Coelho
11. Mr. Daschle
12. Mr. Hance
13. Mr. Anthony
14. Mr. Stenholm
15. Mr. Wampler
16. Mr. Jeffords
17. Mr. Grassley
18. Mr. Hagedorn (proxy to Mr. Wampler)
19. Mr. Coleman (proxy to Mr. Kelly)
20. Mr. Marlenee
21. Mr. Hopkins
22. Mr. Jones (N.C.)(proxy to Mr. de la Garza)
23. Mr. Jones (Tenn.)(proxy to Mr. de la Garza)
24. Mr. Brown (proxy to Mr. Richmond)
25. Mr. Rose (proxy to Mr. de la Garza)
26. Mr. Weaver (proxy to Mr. Richmond)
27. Mr. Harkin (proxy to Mr. Richmond)
28. Mr. Fithian (proxy to Mr. de la Garza)
29. Mr. Skelton (proxy to Mr. de la Garza)
30. Mr. Sebelius
31. Mr. Findley (proxy to Mr. Wampler)
32. Mr. Symms (proxy to Mr. Wampler)
33. Mr. Johnson (proxy to Mr. Wampler)
34. Mr. Madigan (proxy to Mr. Wampler)
35. Mrs. Heckler (proxy to Mr. Wampler)
36. Mr. Thomas (proxy to Mr. Wampler)
37. Mr. Foley (proxy to Mr. de la Garza)
38. Mr. Bowen (proxy to Mr. de la Garza)

NAYS

1. Mr. Kelly

Thus, by a roll call vote of 38 yeas-1 nay (22 Members present and voting) H.R. 4303, as amended, was ordered reported to the House with the recommendation that it do pass in the presence of a quorum.

Staff was given permission to make any necessary clerical and technical changes. In order to clear the bill for early floor consideration, Members were given until 7:00 p.m. this date to submit any additional views for inclusion in the Committee report.

During the proceedings one recess was taken at 10:50 a.m. to enable Members to respond to a recorded vote on the House floor. At 12:10 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

COMMITTEE PRINT

(As Reported by the Subcommttee on Domestic Marketing, Consumer Relations and Nutrition On June 20, 1979)

96TH CONGRESS
1ST SESSION

# H. R. 4303

To amend the Food Stamp Act of 1977 to eliminate certain restrictions on excess shelter expense deductions with respect to households which are composed entirely of persons who are age sixty or older or who are recipients of benefits under title XVI of the Social Security Act and to allow deductions for certain medical and dental expenses in the computation of incomes for such households.

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IN THE HOUSE OF REPRESENTATIVES

JUNE 5, 1979

Mr. FOLEY introduced the following bill; which was referred to the Committee on Agriculture

---

# A BILL

To amend the Food Stamp Act of 1977 to eliminate certain restrictions on excess shelter expense deductions with respect to households which ~~are composed entirely of persons who are~~ contain a member who is age sixty or older or who ~~are recipients~~ is a recipient of benefits under title XVI of the Social Security Act and to allow deductions for certain medical and dental expenses in the computation of incomes for such households.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

That section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended—

(1) in the fourth sentence, by striking out "Households" and inserting in lieu thereof "Except as provided in the following sentence, households"; and

(2) by adding at the end thereof the following new sentences: "The proviso contained in clause (2) of the preceding sentence shall not apply with respect to any households which ~~are composed entirely of persons~~ contain a member who ~~are~~ is age sixty or older or who ~~are recipients~~ is a recipient of benefits under title XVI of the Social Security Act. In addition, households described in the preceding sentence shall be entitled to a medical expense deduction to the extent that the monthly amount expended by any such household for medical or dental care exceeds ~~the amount of the standard deduction in effect under this subsection.~~ $35 a month.".

Sec. 2. The provisions of this Act shall be implemented in all States by no later than January 1, 1980.

AMENDMENT BY MR. WEAVER TO H.R. 4303

That section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended--

(1) by redesignating paragraphs (1) through (10), including all references thereto, as subparagraphs (A) through (J), respectively;

(2) by inserting ''(1)'' before ''Household income''; and

(3) by adding at the end thereof the following new paragraph:

''(2) With respect to any household participating in the food stamp program, no part of any monthly benefit--

''(A) to which a member of such household is entitled under the insurance program established by title II of the Social Security Act, and

''(B) which results from (and would not be payable but for)--

''(i) a cost-of-living increase in benefits under such program, taking effect after May 1979 and during a period in which such household is participating in the food stamp program, pursuant to section 215(i) of the Social Security Act, or

''(ii) any other increase in benefits under such program, taking effect after May 1979 and during a period in which such household is participating in the food stamp program, which constitutes a general benefit increase within the meaning of section 215(i)(3) of such Act,

shall be taken into account for purposes of determining the household's income under this section.''.

AMENDMENT TO H.R. 4303

Offered by Mr. Kelly

Strike the quoted material commencing on page 2, lines 7 through 16, and insert in lieu thereof the following:

"Any household which contains a member who is age sixty or older or who is a recipient of benefits under title XVI of the Social Security Act shall be entitled to a medical expense deduction to the extent that the monthly amount expended by any such household for medical or dental care exceeds $35 per month."

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Tuesday, June 26, 1979

(Sub) Committee Oilseeds and Rice

Meeting: Public Hearing and Business Meeting

Subject: exempt State prison farms from paying of marketing quota penalties

Bill Nos. H.R. 998

The Oilseeds and Rice (Sub) Committee met in open Session at 2:00 o'clock, in Room 1301

The following Members were present:

| | | Members Also Present: |
|---|---|---|
| Mr. Mathis | Mr. | Mr. de la Garza |
| Mr. Stenholm | Mr. | Mr. |
| Mr. Findley | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | Mr. |
| Mr. | Mr. | |
| Mr. | Mr. | |

Staff present:

Fowler C. West, Staff Director
John Hogan, Counsel
Gary Norton, Assistant Counsel
Glenda Temple, Clerk
Jim Davis, Subcommittee Staff Consultant
Bert Pena, Subcommittee Staff Consultant
Jim Tippett, Staff Assistant

Witnesses:

1. Hon. E de la Garza, Member of Congress from Texas.

Statements Filed:

1. W. J. Estelle, Jr., Director, Texas Department of Corrections.

Tuesday, June 26, 1979
Oilseeds and Rice Subcommittee
Public Hearing and Business Meeting
Exempt State prison farms from paying
of marketing quota penalties
H.R. 998

Action Taken:

-- Without objection Mathis technical amendment to H.R. 998 agreed to.

-- Without objection H.R. 998, as amended, ordered reported to the full Committee.

Chairman Mathis called the meeting to order and recognized Mr. de la Garza for his statement on H.R. 998, a bill to amend the Agricultural Adjustment Act of 1938, as amended, to exempt State prison farms from paying of marketing quota penalties. Following presentation of his statement, Mr. de la Garza was questioned by the members of the Subcommittee.

Mr. de la Garza advised that he had an amendment (copy attached) which would make the legislation applicable only to peanuts. Chairman Mathis stated he would oppose limiting the legislation to peanuts and that if there were jurisdictional questions from the other Subcommittees affected (Cotton and Tobacco) they could be handled in the full Committee. Chairman Mathis also requested that the record reflect that the Subcommittee opposed expanding of production and that it should be clear the legislation applied to any agricultural commodities grown on State prison farms for consumption within such State prison farms.

Mr. Mathis stated there should be a technical amendment made to the section citation--section 273(d) should read section 372(d). Staff was directed to make the appropriate change prior to full Committee consideration.

Mr. Stenholm moved to favorably report H.R. 998, as amended, to the full Committee and there was no objection.

At 2:25 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

H.R. 998

Amendment Offered by Mr. de la GARZA

Section 359 of the Agricultural Act of 1938 is amended by adding a new subsection (k) as follows:

"Effective beginning with the 1978 crop, no penalty shall be imposed under this section with respect to the marketing of peanuts grown on prison farms in any State for consumption within the prison system of such State."

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

# MINUTES

Date Wednesday, June 27, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: Water Resources Planning Act Amendments

Bill Nos. H.R. 2610

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley
Mr. de la Garza
Mr. Jones (Tenn.)
Mr. Bowen
Mr. Rose
Mr. Richmond
Mr. Nolan
Mr. Weaver
Mr. Baldus
Mr. Harkin
Mr. English
Mr. Fithian
Mr. Panetta
Mr. Skelton
Mr. Huckaby
Mr. Glickman

Mr. Akaka
Mr. Whitley
Mr. Coelho
Mr. Daschle
Mr. Hance
Mr. Anthony
Mr. Stenholm
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.
Mr.

Mr. Wampler
Mr. Findley
Mr. Symms
Mr. Johnson
Mr. Madigan
Mr. Jeffords
Mr. Grassley
Mr. Hagedorn
Mr. Coleman
Mr. Marlenee
Mr. Hopkins
Mr. Thomas
Mr.
Mr.

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

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Witnesses:

None

Statements Filed:

None

Wednesday, June 27, 1979
Full Committee
Business Meeting
Water Resources Planning Act
Amendments
H.R. 2610

Action Taken:

-- Without objection, Rose motion to discharge Subcommittees from consideration of H.R. 3905 (gasohol) and retain in full Committee for markup agreed to.

-- Without objection Hance amendment to H.R. 2610 agreed to.

-- By unanimous voice vote Baldus amendment adopted.

-- Marlenee point of order that a quorum was not present sustained and vote vacated.

Acting Chairman de la Garza called the meeting to order and recognized Mr. Jones (Tenn.), Chairman of the Subcommittee on Conservation and Credit, for a brief explanation of H.R. 2610, a bill to amend the Water Resources Planning Act.

Mr. Panetta introduced a 4-H group from San Luis Obispo, California, and the students were greeted by the Committee.

Mr. Rose moved, as a result of hearings and in an attempt to expedite consideration of H.R. 3905 (gasohol) to discharge the Subcommittees on Livestock and Grains, Conservation and Credit, and Department Investigations, Oversight, and Research from further consideration of the measure and retain the bill in the full Committee for purposes of markup. Without objection the motion was agreed to.

Discussion occurred on H.R. 2610. Mr. Hance offered the attached amendment which would enable participation in any Government farm program unless specifically provided by law. Without objection, the amendment was agreed to.

Mr. Baldus offered the attached amendment which would provide for a study of water resources and water quality. By a unanimous voice vote the amendment was adopted.

Mr. Panetta distributed the attached amendment concerning reorganization of the Water Resources Council but withheld formally offering it. He asked that the Members be aware of the problems and the possibility of an amendment on the floor or future legislation.

Wednesday, June 27, 1979
Full Committee
Business Meeting
Water Resources Planning Act
Amendments
H.R. 2610

Mr. Huckaby moved the previous question and moved to report H.R. 2610, as amended, to the House. By a voice vote the motion was agreed to. Mr. Marlenee requested a division vote and by a show of hands vote of 10 yeas-4 nays the motion was approved. Mr. Marlenee made a point of order that a quorum was not present and the Clerk was directed to call the roll. The vote follows:

Y E A S

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Nolan
4. Mr Baldus
5. Mr. Panetta
6. Mr. Huckaby
7. Mr. Glickman
8. Mr. Daschle
9. Mr. Madigan
10. Mr. Jeffords
11. Mr. Grassley
12. Mr. Foley
13. Mr. Brown (proxy to Mr. Jones)(Tenn.)
14. Mr. Bowen
15. Mr. Akaka (proxy to Mr. Jones) (Tenn.)
16. Mr. Wampler (proxy to Mr. Madigan)
17. Mr. Sebelius (proxy to Mr. Madigan)
18. Mr. Findley
19. Mrs. Heckler (proxy to Mr. Madigan)
20. Mr. Kelly (proxy to Mr. Madigan)
21. Mr. Hagedorn (proxy to Mr. Madigan)
22. Mr. Hopkins (proxy to Mr. Madigan)

N A Y S

1. Mr. Hance
2. Mr. Anthony
3. Mr. Stenholm
4. Mr. English
5. Mr. Symms (proxy to Mr. Madigan)
6. Mr. Johnson (proxy to Mr. Madigan)
7. Mr. Marlenee

Thus, by a roll call vote of 22 yeas-7 nays the motion was agreed to. However, only 19 Members were present and voting and the point of order was sustained. At 12:10 p.m. the meeting was adjourned to reconvene at 10:30 a.m. on Thursday, June 28, at whcih time a vote on final passage of H.R. 2610 will be the first order of business followed by consideration of H.R. 4119, a bill to improve and expand the Federal Crop Insurance Program. During the proceedings two recesses were taken at 10:52 a.m. and 11:32 a.m. to respond to recorded votes on the House Floor.

Glenda Temple

AMENDMENT BY MR. HANCE TO H.R. 2610

Page 15, insert at the end thereof the following new section:

"SEC. 3. The Water Resources Planning Act of 1965 is amended by adding at the end thereof the following:

"Sec. 405. Nothing contained in this Act shall be construed as prohibiting any person from participating in any Government farm program unless otherwise specifically provided by law.".

Amendment offered by Baldus

Add at the end of the bill the following new section:

Sec. 4 (a) The Water Resources Council (hereinafter referred to as the "Council") shall conduct a study for the purposes of--

(1) identifying water tables, water levels, water usage, surface and subsurface water resources, water sedimentation, and water supplies which have an impact on food and fiber production and other aspects of life in rural areas;

(2) identifying geographical areas which now have, or in the future may have, deficiencies in either the quantity or the quality of their water supply;

(3) describing water conservation, storage, and allocation methods and procedures which are, or may be, utilized to reduce water shortages or deficiencies; and

(4) determining the extent and manner in which information described in paragraphs (1), (2), and (3) is disseminated to interested persons.

(b) In conducting the study required by Sec. 4 (a), the Council shall--

(1) cooperate with the other Federal agencies and State and local governments to the maximum extent feasible in an effort to obtain all available information pertaining to the subjects of the study; and

(2) be authorized to obtain directly from any Federal agency information, suggestions, estimates, and statistics as the Council may deem necessary.

(c) Each Federal Department and agency shall, upon request of the Council, furnish such information, suggestions, estimates, and statistics as the Council may deem necessary for purposes of conducting its activities under this section.

(d) The Council shall, not more than twelve months after the date of enactment of this Act, prepare and transmit to the Committee on Agriculture of the United States House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the United States Senate a report on the results of the study required by this section. Such report shall contain the findings and the conclusions of the Council along with any recommendations for administrative or legislative action which may be taken in dealing with the problem of insufficient water supply in rural areas of the United States.

(e) There is authorized to be appropriated $250,000 for the purpose of carrying out the provisions of this Act.

Amendment to H.R. 2610, As Reported
by the Committee on Interior and Insular Affairs
and Referred to the Committee on Agriculture

Offered by Mr. Panetta

Page 15, after line 17, add the following new section:

SEC. 3. Title I of the Water Resources Planning Act (42 U.S.C. 1962a et seq.) is amended by adding at the end thereof the following new section:

''SEC. 106. (a) Any Federal agency or department which is responsible for formulating any water project plan shall submit the plan to the Council for review by the Council under this section.

''(b)(1) The Council, not later than 60 days after the submission of any water project plan under this section, shall determine whether to approve the plan, based upon an impartial technical review carried out by the Council under this section.

''(2) If the Council disapproves a water project plan submitted under this section, then the head of the Federal agency or department involved shall be given an opportunity to resubmit the plan to the Council for further review, after such agency or department makes such changes in the plan as may be necessary to achieve compliance.

''(3) Any decision of the Council to disapprove a water project plan, after the plan has been resubmitted under paragraph (2), shall be final and shall not be subject to any review or appeal.''.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

## MINUTES

Date Thursday, June 28, 1979

~~XXX~~ (Sub) Committee Full

Meeting: Business

Subject: Water Resources Planning Act Amendments

Bill Nos. H.R. 2610

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301.

The following Members were present:

| | | |
|---|---|---|
| Mr. de la Garza | Mr. Daschle | Mr. Wampler |
| Mr. Jones (N.C.) | Mr. Hance | Mr. Sebelius |
| Mr. Jones (Tenn.) | Mr. Anthony | Mr. Madigan |
| Mr. Brown | Mr. Stenholm | Mr. Kelly |
| Mr. Rose | Mr. Foley | Mr. Grassley |
| Mr. Richmond | Mr. | Mr. Hagedorn |
| Mr. Weaver | Mr. | Mr. Coleman |
| Mr. Baldus | Mr. | Mr. Thomas |
| Mr. Bedell | Mr. | Mr. |
| Mr. English | Mr. | Mr. |
| Mr. Panetta | Mr. | Mr. |
| Mr. Skelton | Mr. | Mr. |
| Mr. Huckaby | Mr. | Mr. |
| Mr. Glickman | Mr. | Mr. |
| Mr. Whitley | Mr. | |
| Mr. Coelho | Mr. | |

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

Witnesses:

None

Statements Filed:

None

Thursday, June 28, 1979
Full Committee
Business Meeting
Water Resources Planning Act
Amendments
H.R. 2610

Action Taken:

-- By roll call vote 32 yeas-6 nays H.R. 2610, as amended, ordered reported to the House in the presence of a quorum.

-- By unanimous voice vote Sebelius motion to adjourn the Committee and defer consideration of H.R. 4119 until after July 4 recess approved.

Chairman Foley called the meeting to order and advised that the pending business at the last meeting was the motion by Mr. Huckaby to report H.R. 2610, as amended, to the House. The Clerk was directed to call the roll, and the vote follows:

YEAS

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Rose
4. Mr. Bedell
5. Mr. Daschle
6. Mr. Wampler
7. Mr. Sebelius
8. Mr. Madigan
9. Mr. Thomas
10. Mr. Foley
11. Mr. Jones (N.C.)
12. Mr. Baldus
13. Mr. Skelton
14. Mr. Huckaby
15. Mr. Glickman
16. Mr. Coleman
17. Mr. Brown
18. Mr. Whitley
19. Mr. Weaver
20. Mr. Anthony
21. Mr. Coelho
22. Mr. Akaka (proxy to Mr. Jones (Tenn.)
23. Mr. Harkin (proxy to Mr. Jones (Tenn.)
24. Mr. Bowen (proxy to Mr. Jones (Tenn.)
25. Mr. Findley (proxy to Mr. Wampler)
26. Mrs. Heckler (proxy to Mr. Wampler)
27. Mr. Grassley
28. Mr. Hagedorn
29. Mr. Hopkins (proxy to Mr Wampler)
30. Mr. Richmond
31. Mr. Panetta
32. Mr. Kelly

NAYS

1. Mr. English
2. Mr. Hance
3. Mr. Stenholm
4. Mr. Symms (proxy to Mr. Wampler)
5. Mr. Johnson (proxy to Mr. Wampler)
6. Mr. Marlenee (proxy to Mr. Wampler)

Thursday, June 28, 1979
Full Committee
Business Meeting
Water Resources Planning Act
Amendments
H.R. 2610

Thus, by a roll call vote of 32 yeas-6 nays (29 Members present and voting) H.R. 2610, as amended, was ordered reported to the House with the recommendation that it do pass in the presence of a quorum.

Mr. Sebelius moved to defer consideration of H.R. 4119, a bill to improve and expand the Federal Crop Insurance Program, until after the July 4th recess, and that the Committee adjourn. By a unanimous voice vote the motion was agreed to and at 10:50 a.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

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